U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, D.C., October 6, 1969.

Hon. ———— ————,
United States Senate,
Washington, D.C.

DEAR SENATOR: Some confusion has obviously arisen over the record of Judge Clement F. Haynsworth, Jr., the President's Supreme Court nominee, during his tenure of service on the U.S. Court of Appeals for the Fourth Circuit.

In the spirit of fairness, we ask that you read the entire record, both pro and con, before making your decision.

We are glad this nomination has received the scrutiny that has been given it. Justices of the Supreme Court from this day forward must be able to stand the test of complete and honest disclosure before Senate confirmation can be anticipated. Judge Haynsworth's record will stand this test.

As members of the Judiciary Committee, we have had the opportunity to attend the hearings and study the record. As fair-minded Americans, we regret the proliferation of insinuations about Judge Haynsworth which we feel are based either upon misinformation or little knowledge of the facts. The decision which the Constitution calls upon the Senate to make must be made fairly. We are enclosing an appraisal of the Judge's entire record in labor cases so that you will be correctly apprised of his position in this area. We will subsequently be forwarding to you objective appraisals of his civil rights decisions and a complete rebuttal of the conflict of interest charges which have been leveled against him.

With best wishes,

Sincerely yours,

ROMAN L. HRUSKA,
MARLOW W. COOK,
U.S. Senators.

SUMMARY: JUDGE HAYNSWORTH'S LABOR RECORD—A REBUTTAL TO THE AFL–CIO APPRAISAL

I. *The Ten Supreme Court Reversals:* No objective evaluation can conclude that Judge Haynsworth is "anti-labor" as compared with the Supreme Court. Three of the cases involved changes of Congressional and/or Supreme Court policy *subsequent* to the Fourth Circuit's opinion. Two further cases were not "labor-management" cases. In one of the cases the Supreme Court explicitly stated that its disagreement with the Fourth Circuit was "not large as a practical matter." In *none* of the reversals did the Supreme Court purport to reverse an "anti-labor" decision.

II. *The Divided Fourth Circuit Cases:* The AFL–CIO fails to mention one decision in which Judge Haynsworth dissented *in favor of the union.* The AFL–CIO *labels* as "anti-labor" three cases in which the Fourth Circuit substantially *enforced* NLRB orders in favor of the Union, and four additional cases which are neutral decisions of procedure and evidence issues.

III & IV. *Judge Haynsworth's Undisclosed Pro-Labor Record:* The AFL–CIO completely fails to examine a large body of pro-labor cases in which Judge Haynsworth participated. These include at least *eight* (8) pro-labor opinions *written* by Judge Haynsworth, and an *additional thirty-seven* (37) pro-labor opinions in which Judge Haynsworth *concurred* but did not write an opinion.

V. *The Fourth Circuit's Labor Record:* The suggestion that the Fourth Circuit, and Judge Haynsworth in particular, has consistently opposed the NLRB's efforts to secure worker's rights is demonstrably false.

The Fourth Circuit completely or substantially *enforced* 98% of the NLRB petitions before it in 1968–69, as compared with only 81% for all circuit courts during 1963–68.

ORDER OF BUSINESS

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

COAL MINE HEALTH AND SAFETY ACT OF 1969—AUTHORIZATION FOR PRINTING OF BILL

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from New Jersey (Mr. WILLIAMS), I ask unanimous consent that S. 2917, the Coal Mine Health and Safety Act of 1969, be printed as it was passed by the Senate on Thursday, October 2, 1969.

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

ADJOURNMENT

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

The motion was agreed to; and (at 5 o'clock and 8 minutes p.m.) the Senate adjourned until tomorrow, Tuesday October 7, 1969, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate October 6, 1969:

WORLD HEALTH ORGANIZATION

Dr. S. Paul Ehrlich, Jr., of Virginia, to be representative of the United States of America on the Executive Board of the World Health Organization.

U.S. DISTRICT JUDGE

David L. Middlebrooks, Jr., of Florida to be U.S. district judge for the northern district of Florida vice George Harrold Carswell, elevated.

CONFIRMATIONS

Executive nominations received by the Senate October 6, 1969:

U.S. MARSHAL

Ollie L. Canion, of Louisiana, to be U.S. marshal for the eastern district of Louisiana for the term of 4 years.

NATIONAL TRANSPORTATION SAFETY BOARD

Isabel A. Burgess, of Arizona, to be a member of the National Transportation Safety Board for the remainder of the term expiring December 31, 1969.

HOUSE OF REPRESENTATIVES—*Monday, October 6, 1969*

The House met at 12 o'clock noon.

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

God loveth righteousness and justice; the earth is full of the goodness of the Lord.—Psalm 33: 5.

O Spirit of the living God, who governs the world with righteousness and whose judgments are true and righteous altogether, grant that these representatives of our people may be of one mind and of one heart as they seek to provide justice, to produce good will, to protect freedom, and to promote the welfare of all the citizens of our beloved land.

Endue them with Thy spirit that with clear understanding, clean motives, and creative principles they may rise above all self-seeking and through self-discipline be primarily concerned about the good of our country and the brotherhood of man.

Bless all the courts of justice in our Nation and particularly our Supreme Court opening on this day. Grant unto all Justices the spirit of wisdom that they may decide wisely and uphold the law as it is without fear or favor.

May the Lord give strength to His people and bless them with peace of mind, purity of heart, and power of spirit to work together for the good of all men.

In the Master's name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of Friday, October 3, 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 a joint resolution of the House of the following title:

H.J. Res. 851. Joint resolution requesting the President of the United States to issue a proclamation calling for a "Day of Bread" and "Harvest Festival."

The message also announced that the Senate has passed with amendments in which the concurrence of the House is requested bills of the House of the following titles:

H.R. 9825. An act to amend subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, and for other purposes;

H.R. 11039. An act to amend further the Peace Corps Act (75 Stat. 612), as amended; and

H.R. 12982. An act to provide additional revenue for the District of Columbia, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 9825) entitled "An act to amend subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, and for other purposes," requests a conference with the House on the disagreeing votes of the

two Houses thereon, and appoints Mr. McGEE, Mr. YARBOROUGH, Mr. RANDOLPH, Mr. HARTKE, Mr. FONG, Mr. BOGGS, and Mr. FANNIN to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 11039) entitled "An act to amend further the Peace Corps Act (75 Stat. 612), as amended," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FULBRIGHT, Mr. SPARKMAN, Mr. GORE, Mr. AIKEN, and Mr. MUNDT to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 12982) entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. TYDINGS, Mr. BIBLE, Mr. SPONG, Mr. EAGLETON, Mr. PROUTY, Mr. GOODELL, and Mr. MATHIAS to be the conferees on the part of the Senate.

The message also announced that the Vice President, pursuant to Public Law 84–689, appointed Mr. PERCY to attend the North Atlantic Treaty Organization Parliamentary Conference to be held in Brussels, Belgium, October 16 to 21, 1969.

The Vice President also appointed Mr. KENNEDY and Mr. YOUNG of Ohio, vice Mr. BYRD of West Virginia and Mr. MCINTYRE, to attend the above Conference.

JUDGE HAYNSWORTH IS TAINTED: HIS NOMINATION SHOULD BE WITHDRAWN

(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, respect for the judicial system of our country has recently suffered a major setback. Not long ago, we saw one member of our highest Court resign as the result of public outrage at the conduct of his financial affairs. His conduct at best showed a serious lack of judgment with respect to his handling of those fiscal affairs. Similar accusations have been made with respect to the pending nomination of Judge Clement F. Haynsworth. He, too, must be held to the same high standards.

While I disagree with the social philosophy of Judge Clement F. Haynsworth, I would not object to his nomination to the Supreme Court on that basis because I believe that the President has a right to place upon that bench men who reflect his philosophy. A conservative President will appoint men like Judge Haynsworth. But these appointees must not be tainted.

Those who sit upon the Supreme Court above all must be universally respected. Their judgments are normally enforced not by bayonets but by public opinion acknowledging that a rule of law requires an acceptance by the country as a whole of their decisions. That universal acceptance is always conditioned upon respect for the men wearing the robes of judicial office. It is clear that Judge Clement F. Haynsworth does not have such acceptance and I therefore urge the President to recall his nomination.

PERMISSION FOR COMMITTEE ON BANKING AND CURRENCY TO SIT DURING GENERAL DEBATE TODAY

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may be permitted to sit during general debate today.

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

There was no objection.

MEMORIAL BREAKFAST COMMEMORATING THE LATE HONORABLE WENDELL WILLKIE

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

Mr. BRAY. Mr. Speaker, I am pleased to bring to the attention of my colleagues a memorial breakfast which is being held this week to commemorate the death of a great American and former presidential candidate of the Republican Party, Wendell Willkie, whose son and widow live in my congressional district.

I believe each of you received a notice of this breakfast last week, but I have been asked to extend the invitation on the floor. This is a bipartisan effort sponsored by the distinguished Senator from Pennsylvania, Senator SCOTT, and the distinguished Senator from Alabama, Senator SPARKMAN. It will be held in room S207 of the Capitol at 8:30 a.m. on Wednesday morning, October 8, and those wishing to attend should contact the office of Senator SCOTT.

THERE OUGHT TO BE A LAW

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

Mr. WATSON. Mr. Speaker, often we have heard the statement by our constituents, "There ought to be a law."

So we conducted a personal contest entitled "There Ought To Be a Law."

I believe it is interesting to note that there were more than 4,500 entries, which speaks well for the general interest of the people of our congressional district in the issues and problems confronting us on a national level.

Of those 4,500 entries some 70 percent had a thrust which dealt with the matter of law and order and particularly what we might do to strengthen the courts of our federal system.

Mr. G. Delbert Pryor, of West Columbia, S.C., was the winner of the contest. He is here in the Nation's Capital. His entry, the winning entry, dealt with the method of making Supreme Court and circuit court appointments.

Today I am introducing a bill embracing the provisions of his suggestion which would require that any man appointed to the U.S. Supreme Court must have had at least 5 years of judicial service either on the Federal bench or in the highest judicial court of the State. Also, a 3-year previous judicial experience requirement on a trial court would be required before appointment to the Federal circuit court.

I commend this winner, and commend all of the entrants for their interest in Government.

EMERGENCY STUDENT LOAN BILL

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

Mr. SCHERLE. Mr. Speaker, we are now entering the fourth week since the emergency student loan bill passed this body. The bill is still tied up in conference. We have met only three times.

This bill was passed under the illusionary promise of quick enactment. How many thousands of students are threatened with uncertainty by this irresponsible action.

What price have the innocent students paid so far as "pawns" because of the arbitrary actions of the chairman of the Education and Labor Committee in delaying this bill and refusing to allow the House to work its will. Normal procedure would have allowed this bill to become law months ago and make funds available to the students for educational purposes.

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

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

Mr. GROSS. Mr. Speaker, I well recall that on August 12, just before the summer recess of Congress, the sponsors of this legislation were bleeding at every valve, trying to make the gentleman from Iowa, presently in the well of the House, responsible for the delay in the enactment of student loan legislation. The gentleman from Iowa (Mr. SCHERLE) is before the House again today, pointing out that 4 weeks have elapsed since the Congress reconvened after the summer recess and approved the bill, but there is still no final action taken in this matter. I wonder who is now responsible among the bleeding hearts for the failure to get this legislation enacted.

It is not the gentleman from Iowa.

Mr. SCHERLE. I thank the gentleman from Iowa for his statement.

Mr. Speaker, it is still my fervent hope that we will get something done quickly for the students of this country so that they can attend the college of their choice and obtain an education with much more certainty.

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

GETTING OUT OF THE COMBAT JOB IN VIETNAM

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

Mr. RIEGLE. Mr. Speaker, the headline story in today's Washington Post concerns an interview with Vice Presi-

dent Ky of South Vietnam. Vice President Ky is quoted as saying that he feels the United States can conclude combat operations in Vietnam by the end of next year and that the South Vietnamese can and should take over the combat responsibilities in that country.

I would think that Vice President Ky, who is a military man, ought to know about as well as anyone what the potential would be of the South Vietnamese military to assume the full combat responsibility of the war.

The fact that he has offered to do this and is suggesting that it ought to be done I think indicates that if we have an ounce of sense in this Congress, we will take him up on this offer and get out of the combat business in Vietnam by the end of next year.

This is the longest war in our history, an undeclared war, which has cost us some 40,000 lives and an expenditure of $110 billion. Surely the time has come to end this tragic war.

With a statement of this kind coming from the leadership of Vietnam that they are prepared to take on the combat burden next year, let us take them up on this offer. I hope that the President and we in the Congress will do so, because Vice President Ky is correct in his statement, and we ought to conclude American combat operations there no later than the end of next year.

STUDENT LOAN GUARANTEE PROGRAM

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

Mr. PERKINS. Mr. Speaker, in view of the statement made by the distinguished gentleman from Iowa (Mr. SCHERLE), I do not want anyone to feel that there has been any dereliction of duty on the part of the House conferees in their efforts to bring the student guarteed loan program bill out of conference. The gentleman never did tell the Chamber who he felt was at fault, but, through innuendo, perhaps, inferred that the chairman of the committee was not pursuing the conference with as much diligence as he possibly could. I do want to tell the Members of the House that we will go in for our fourth session this Wednesday. I regret that we have not already brought back a conference report, but we have scheduled conference meetings together at times when conferees could meet. I have done everything in my power to expedite the conference. I am at a loss to know how to assure the Congressman from Iowa that we are diligently pressing for a conference report but as yet are in disagreement.

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

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

Mr. AYRES. Mr. Speaker, I would like to concur in what the gentleman from Kentucky, the chairman of the Education and Labor Committee, has said. I know that both the chairman of the committee and myself as well as most of the members on the committee of conference have attempted to get the conference off dead center and I am hopeful that we shall be able to do so.

Mr. PERKINS. I thank the gentleman and concur in what the gentleman has said. In further response to the gentleman from Iowa, in order to have brought back a conference report at this time the gentleman from Iowa would have had to capitulate to the Senate, himself.

PERSONAL ANNOUNCEMENT

(Mr. PREYER of North Carolina asked and was given permission to address the House for 1 minute.)

Mr. PREYER of North Carolina. Mr. Speaker, I was absent on the final vote on the defense procurement bill. I make this statement so the record will show that had I been present, I would have voted against the motion to recommit and in favor of the final passage.

VIETNAM

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

Mr. RARICK. Mr. Speaker, October 15 appears to be a significant date.

In Washington, D.C., it is fixed as the date of a contrived mobilization to divide our people and encourage our enemies. In Red China, October 15 is reported to be a deadline for a mobilization to unite their people against a potential enemy.

Some apparently desire no solution in Vietnam—military or diplomatic. These same confused zealots feel that even the remotest possibility of a negotiated peace must be blocked; that the United States must be forced, under the appearance of massive public pressure, to withdraw from Vietnam, creating an illusion of public approval of national defeat for the first time in the history of our Republic.

The desperate mobilization for the October 15 moratorium emphasizes a growing hysteria to accomplish these immoral objectives. One might wonder if the United States is so close to a peace settlement that it imperils the pursuits of those who cry "peace" but work for a prolonged war.

This is not a time for provoking disunity and chancing encouragement of a reckless enemy to persist in interminable hostilities and unnecessary death. This is a time to unite in support of the President—elected by our people, entrusted with leadership and charged with the responsibility of achieving peace.

STUDENT LOAN BILL

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

Mr. GROSS. Mr. Speaker, the gentleman from Kentucky (Mr. PERKINS) complained that the gentleman from Iowa (Mr. SCHERLE) failed to explain why the student loan bill has not been enacted.

It makes no difference how thick or thin the gentleman from Kentucky slices it, the bill has been in conference for 4 weeks, this bill on which he apparently had a near heart attack on August 12, blaming Members for allegedly stalling the bill.

The gentleman from Kentucky knows that it is in conference for he is a member of the conference and that fact needs no further explanation.

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

Mr. GROSS. I yield to the gentleman.

Mr. PERKINS. Is the gentleman inferring that the House conferees capitulate and buy the Senate proposals all the way? Is that what you are advocating? And the Members of the House should agree?

Mr. GROSS. No. I am just saying to you that you were bleeding at every pore——

Mr. PERKINS. Well, I am still bleeding.

Mr. GROSS. On August 12, and blaming everybody you could for failure to pass the bill, and yet you have been in conference on this matter for 4 long weeks.

Mr. PERKINS. Let me say to my distinguished colleague, I feel the same way today that I felt on August 12. I felt confident that we would bring the conference report in earlier, we have tried and failed, and further, the gentlewoman from Oregon (Mrs. GREEN), the sponsor of the bill, has been ill for a few days and we have had some problems getting the conferees together, very much to my regret. I, myself, have been available every day.

Mr. GROSS. To use a common expression, for 4 weeks "the monkey has been on your back," not on the backs of the rest of the Members of the House.

Mr. PERKINS. The monkey will soon be gotten off my back, if it is there, and we will get this bill enacted. I regret that we have not brought the bill back before this time, but it has been impossible. It has not been the fault of the chairman of the committee, as I believe the gentleman from Iowa knows.

THE HOUSE VOTE ON THE MILITARY PROCUREMENT AUTHORIZATION BILL

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

Mr. GERALD R. FORD. Mr. Speaker, last Wednesday, Thursday, and Friday the House of Representatives considered the military procurement authorization bill. It was a heated but, I believe, constructive action by the House during that 3-day time period. During the consideration of that legislation in the Committee of the Whole, by a vote of 219 to 105 President Nixon's Safeguard ABM System was approved with the rejection of the amendment that would have deleted the procurement funds from the President's request.

Subsequently, on Friday, on a rollcall vote, by a vote of 270 to 93, the House of Representatives rejected the removal of any authorization for the anti-ballistic-

missile system recommended by the President. In the one case by a vote of 2 to 1 the House approved the President's recommendation; in the second, by a vote of almost 3 to 1 the House told the administration to proceed with an anti-ballistic-missile system.

These were significant victories, not for a Republican President or a Democrat-dominated House of Representatives; these were significant victories for the American people, and should be a warning to any enemy that the House of Representatives is ready, willing, and able to stand fast with the President for negotiations from strength in our dealings with the Soviet Union in any disarmament talks.

But may I raise another point: For 9 weeks the press swamped the public and the Congress with how close the vote was going to be in the other body on this particular issue, and then when the final vote came, by the margin of 51 to 50 in favor of the President's Safeguard program, some elements of the press wrote as though that victory was a defeat. I never quite understood how winning a legislative vote could be a loss, but some in the press so interpreted it.

Now I find the following. After the overwhelming victory in the House of Representatives, which was not a Democratic or a Republican victory, I had to dig through the news stories, to look with great scrutiny to find any word whatsoever that this 2-to-1 margin in the one case and nearly 3-to-1 in the other was a victory for strength for America. I do not understand this double standard in news reporting.

ATOMIC EXPLOSION ON AMCHITKA ISLAND

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

Mr. HOLIFIELD. Mr. Speaker, I wish to make an announcement. Before I make the announcement, I want to say that if I had been here last week, I would have voted against the motion to recommit on the military construction bill and I would have voted for passage of the bill.

The purpose of my rising at this time is to inform the House that last week I attended the test on Amchitka Island of an atomic device which had been programed for the past 3 years.

I am pleased to report to the Members of the House that the event did not cause any ecological damage, that there was no venting of radiation from the event which took place 4,000 feet deep in the ground, and there was no tidal wave that would inundate Alaska, Hawaii, or California, or the west coast.

I was very happy about that, because there had been these dire predictions from the panic prophets and the alarmists who knew nothing about the scientific precautions that were taken. It was a great comfort to me to know that none of their dire predictions were fulfilled.

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

Mr. HOLIFIELD. I yield to the gentleman from California (Mr. UTT).

Mr. UTT. Mr. Speaker, I want to ask the gentleman from California whether or not the Atomic Energy Commission had anything to do with the earthquake in Santa Rosa 24 hours ahead of the explosion.

Mr. HOLIFIELD. I doubt if the explosion which occurred later had anything to do with that, but maybe the shock of apprehension and fear and concern expressed by a few misinformed Members had something to do with it.

PRESS TREATMENT OF HAYNSWORTH CASE

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

Mr. HAYS. Mr. Speaker, I thought I would take a minute myself to speak today about press treatment, since the minority leader was complaining about the press and its treatment of the vote on the ABM. I have been a little bit concerned about the press treatment of the Haynsworth case. When the Fortas case was up, there were giant front-page headlines every day about what a bad man Mr. Fortas was.

The only thing I can see different between the two cases is that Mr. Fortas gave the money back, and Mr. Haynsworth kept it, all $400,000 worth of it.

CONSENT CALENDAR

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

CHANGING NAME OF PLEASANT VALLEY CANAL, CALIF., TO "COALINGA CANAL"

The Clerk called the joint resolution (H.J. Res. 224) to change the name of Pleasant Valley Canal, Calif., to "Coalinga Canal."

There being no objection, the Clerk read the joint resolution, as follows:

H.J. RES. 224

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the name of Pleasant Valley Canal, California, be changed to "Coalinga Canal". Any law, regulation, document, or record of the United States in which such canal is designated or referred to shall be held to refer to such canal as "Coalinga Canal".

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ASPINALL. Mr. Speaker, House Joint Resolution 224 will change the name of the Pleasant Valley Canal, a feature of the authorized Central Valley reclamation project to Coalinga Canal, after the city of Coalinga, Calif.

Normally, features of Federal water resource projects are selected by administrative act, and may be changed the same way unless the name has been given legal status by being specifically cited in authorizing legislation. This is the case with respect to the Pleasant Valley Canal, it having been set forth by name in the act of June 3, 1960, 74 Stat. 156.

The city of Coalinga, Calif., has had one of the most serious municipal water problems of any community in the United States. For a number of years it was necessary to import culinary water in railroad tank cars at an exorbitant cost. More recently, desalting techniques have been utilized for the production of some domestic water for human consumption. When the Pleasant Valley—Coalinga—Canal is completed, the city will have a long-term supply of high quality water at reasonable cost for the first time in its civic existence. The local people look upon this event as being most significant and support the name change to commemorate the occasion.

Because of this and following the recommendation of the administration, the joint resolution has been favorably recommended by unanimous action of the Committee on Interior and Insular Affairs. There is no cost to the Federal Government involved in the enactment of House Joint Resolution 224, and I am pleased to urge its passage at this time.

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.

INTERNATIONAL CLAIMS SETTLEMENT ACT AMENDMENT

The Clerk called the bill (H.R. 11711) to amend section 510 of the International Claims Settlement Act of 1949 to extend the time within which the Foreign Claims Settlement Commission is required to complete its affairs in connection with the settlement of claims against the Government of Cuba.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. JOHNSON of Pennsylvania. Mr. Speaker, reserving the right to object, I would like to interrogate one of the handlers of the bill, perhaps the gentleman from California.

Mr. Speaker, this is a very important bill. I am greatly in favor of the extension of the time for this Commission, but I would like to have some questions answered for the RECORD by reason of the fact that the report indicates there have been $3.3 billion worth of claims of American nationals filed against Cuba.

The first question is: Has Cuba paid anything to anybody on these claims?

Mr. MAILLIARD. Mr. Speaker, if the gentleman will yield, the answer to the first question is no. These claims have been adjudicated while the information is available with the hope that some day there may be some resources from which they can be paid.

Mr. JOHNSON of Pennsylvania. Another question, Mr. Speaker: Are there any credits in the United States owned by the Government of Cuba that, once these claims have been adjudicated, we can use an offset whereby the claims of the United States can be applied against assets that have been seized by Cuba?

Mr. MAILLIARD. Mr. Speaker, if the

gentleman will yield, I am not sure I know the precise answer to that question. I think there are no assets presently available to pay these claims. It would be hoped at some future date there would be compensation from which they could be paid. If there are any assets, they would be pretty meager at this point.

Mr. JOHNSON of Pennsylvania. Another question, Mr. Speaker: Does the gentleman know whether Cuba is making any gestures or any attempts, or taking any steps toward paying American nationals for property seized in Cuba at this time?

Mr. MAILLIARD. If the gentleman will yield, not that the committee has any knowledge of.

Mr. JOHNSON of Pennsylvania. Another question, Mr. Speaker: Does the gentleman know whether this Government has any plans, once the Commission has established the amount of claims of American nationals against Cuba, for payment? Does this Nation, the committee, or the Commission have any idea how we can receive payment from Cuba for the assets that have been expropriated?

Mr. MAILLIARD. If the gentleman will yield further, once again I know of no way under present conditions, but one would hope in the future conditions might be such that we could collect.

Mr. JOHNSON of Pennsylvania. Another question, Mr. Speaker: Will there be any attempt to have the taxpayers of the United States reimburse American nationals for this loss?

Mr. MAILLIARD. There was no testimony before the committee which recommended any such course.

Mr. JOHNSON of Pennsylvania. Another question, Mr. Speaker: In view of the gravity of the situation and the unconscionable way in which these assets have been expropriated by Cuba, will November 1, 1972, be long enough? Should not they have asked for a longer period of time?

Mr. MAILLIARD. If the gentleman will yield, the Commission felt they probably could adjudicate these claims by then. Of course, that does not mean they have to be paid by that date. It simply means the Commission will have heard testimony to establish what the claims in fact ought to be.

Mr. JOHNSON of Pennsylvania. One final question, Mr. Speaker: Once they have arrived at the total amount of the claims, the value of the expropriated property, will a bill be presented to the Cuban Government? Is that the next step, after the job of the Commission is completed?

Mr. MAILLIARD. If the gentleman will yield, I would think that submitting such a bill to the present Government of Cuba would be a futile gesture.

Mr. JOHNSON of Pennsylvania. Then, Mr. Speaker, actually, I suppose, adjudicating the claims is a futile gesture at this point; is it not?

Mr. MAILLIARD. If the gentleman will yield; "at this point," yes. On the other hand, if one waits to adjudicate these claims, as we have discovered in other similar situations, it is very difficult to get the facts to find out what the claims are. What we are doing is adjudicating them in the hope and the belief, so far as this Member is concerned, that our relations will become more normal in the future, and we would expect they would desire to pay compensation to those from whom property was taken.

Mr. JOHNSON of Pennsylvania. I thank the gentleman.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the present consideration of the bill?

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

H.R. 11711

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 510 of the International Claims Settlement Act of 1949 (22 U.S.C. 1643l) is amended to read as follows:

"SEC. 510. The Commission shall complete its affairs in connection with the settlement of claims pursuant to this title not later than July 6, 1972."

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.

ELIMINATION OF CONSTRUCTION DETAILS ON PASSENGER VESSELS

The Clerk called the bill (H.R. 210) to eliminate requirements for disclosure of construction details on passenger vessels meeting prescribed safety standards.

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

H.R. 210

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 4400 of the Revised Statutes, as amended (46 U.S.C. 362), is hereby further amended by adding at the end thereof the following sentence:

Provided, however, That the provisions of this subsection shall not apply to voyages by vessels meeting the safety standards prescribed in subsection (c) in this section."

With the following committee amendment:

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

"That section 4400 of the Revised Statutes, as amended (46 U.S.C. 362) is amended—

"(1) by inserting at the end of subsection (b) thereof the following new sentence: 'The provisions of this subsection shall not apply to voyages by vessels meeting the safety standards prescribed in subsection (c) of this section.', and

"(2) by adding at the end thereof the following new subsection:

"'(d) All promotional literature or advertising in or over any medium communication within the United States offering passage or soliciting passengers for ocean voyages anywhere in the world shall specify the registry of any vessel named in such promotional literature or advertising.'"

The committee amendment was agreed to.

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

The title was amended so as to read: "A bill to eliminate requirements for disclosure of construction details on passenger vessels meeting prescribed safety standards, and for other purposes."

A motion to reconsider was laid on the table.

AMENDING SECTION 613 OF THE MERCHANT MARINE ACT, 1936

The Clerk called the bill (H.R. 12605) to amend section 613 of the Merchant Marine Act, 1936, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I should like to ask someone if this bill does in fact permit subsidized passenger vessels to engage in coastwise or intercoastal trade without loss of subsidy? If true, is this not inconsistent with the basic purpose of the operating differential subsidies under the 1936 Merchant Marine Act?

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

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

Mr. MAILLIARD. The answer to the gentleman's question is, in both instances, yes. Of course, when the 1936 act was placed on the statute books a very substantial part of the American merchant marine was engaged in the coastal and intercoastal trade.

Today there is only one nonsubsidized passenger vessel under the American flag which is operating, and that is not in coastal or intercoastal waters but in the noncontiguous domestic trade. So the reason for the philosophy expressed in the act in the first place is now gone. In other words, there is no nonsubsidized service with the exception of one vessel operating between the west coast of the United States and Hawaii. This bill provides that subsidized lines cannot engage in carrying passengers between those points without the consent of the nonsubsidized carrier, so the one fellow who is left in the business is completely protected.

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

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

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

H.R. 12605

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 613 of the Merchant Marine Act, 1936, as amended (47 U.S.C. 1183), is amended by:

(a) Striking subsection (c) thereof and inserting a new subsection (c) to read as follows:

"(c) When a vessel is being operated on cruises—

"(1) it shall carry no mail unless required by law, or cargo except passengers' luggage, except between those ports between which it may carry mail and cargo on its regular service assigned by contract;

"(2) it may not carry one-way passengers between those ports served by another United States carrier on its regular service assigned by contract, without the consent of such carrier, except between those ports between which it may carry one-way passengers on its own regular service assigned by contract;

"(3) it shall stop at other domestic ports only for the same time and the same purpose as is permitted with respect to a foreign-flag vessel which is carrying passengers who embarked at a domestic port, except that a

cruise may end at a different port or coast from that where it began and may embark or disembark passengers at other domestic ports, either when not involving transportation in the domestic off-shore trade in competition with a United States-flag passenger vessel offering berth service therein, or, if involving such transportation, with the consent of such carrier: *Provided, however,* That nothing herein shall be construed to repeal or modify section 805 (a) of this Act."

"Section 605(c) of this Act shall not apply to cruises authorized under this section."

(b) Striking subsection (e).

With the following committee amendments:

On page 1, line 4, delete "47" and insert in lieu "46".

On page 2, line 12, delete "were" and insert in lieu "where".

On page 2, at end of line 19, delete quotation mark.

On page 2, delete lines 20 and 21, and insert in lieu the following:

"Section 605(c) of this Act shall not apply to cruises authorized under this section. Notwithstanding the applicable provisions of section 605(a) and section 506 of this Act requiring the reduction of operating differential subsidy and the partial payback of construction differential subsidy for operating in the domestic trades, such reduction of operating subsidy and partial payback of construction subsidy under such sections 605(a) and 506, respectively, shall not apply to cruises authorized under this section."

The committee amendments were agreed to.

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.

AMENDING JOINT RESOLUTION ESTABLISHING THE AMERICAN REVOLUTION BICENTENNIAL COMMISSION

The Clerk called the bill (S. 2462) to amend the joint resolution establishing the American Revolution Bicentennial Commission.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HALL. Mr. Speaker, reserving the right to object, I would like to know why only the representatives of the Thirteen Original States are included in a Bicentennial Commission study of how to celebrate the American Revolution?

I personally am from Missouri, which is not one of the Thirteen Original States, but I am very glad that we still do not have taxation without representation under King George. I think it is bad enough to have it with representation under us.

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

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

Mr. ROGERS of Colorado. Mr. Speaker, the gentleman from Missouri must be laboring under some misapprehension in his understanding of the membership of this Commission, because on July 3 of 1969 the President announced who they were. I have the press release of that date. I may say that one is from the State of New York, one is from Illinois, one is from Pennsylvania, one from South Carolina, one from California, one from Alabama, another from New York, one from Virginia, another from Pennsylvania, another from New York, and Mr. Lewis of the Reader's Digest is from New York. Also Nebraska and California are represented in that group.

Mr. HALL. Mr. Speaker, I appreciate the gentleman's statement, and I appreciate the fact that we have extended the life of this Commission almost every year. I am not sure when it is going to give a report, but I am certainly in favor of celebrating our bicentennial. However, the gentleman's own report says;

On reviewing both the objectives of the Commission and its present membership, your committee has noted that, although the members represent a broad cross-section of the Nation, they do not include persons from each of the original 13 States of the Union. As a result, your committee recommends that whenever any future vacancies occur on the Commission they be filled in such a way as also to give representation to each of the original 13 States.

That is fine, provided that the Commission is big enough so that the Thirteen Original States—with all of the deference that we have for them—do not displace those who are now on the Commission. Is that the intent, or is it true in the committee it was put to a vote and voted down, to the effect that other States than the original 13 would be included on the Commission?

Mr. ROGERS of Colorado. Will the gentleman yield on that point?

Mr. HALL. I yield once more to the gentleman.

Mr. ROGERS of Colorado. It is true a motion was made in the committee, but this motion was withdrawn, the objective being, as we tried to spell out in the language that you have read, that the Original Thirteen Colonies at least should have some representation. And that if we had someone from the Thirteen Colonies they may have some knowledge or some historical information that would aid and assist the Commission in its operations. This is not a compulsory provision, nor do we amend the law. But we were trying to see if the Thirteen Original Colonies may have had some historical information that they could supply to the Commission.

Mr. HALL. I thank the gentleman, Mr. Speaker, but can the gentleman say categorically that it is not the intent of the committee having jurisdiction over the Commission to eventually limit it to the Thirteen Original Colony States?

Mr. ROGERS of Colorado. Mr. Speaker, if the gentleman will yield further, no. If we had, we would have brought it in as a positive piece of legislation.

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

Mr. HALL. Yes, I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman from Colorado mentioned the members of this Commission, I believe?

Mr. ROGERS of Colorado. Mentioned what?

Mr. GROSS. The members of this the Commission.

Mr. ROGERS of Colorado. Yes.

Mr. GROSS. Is the gentleman able to say whether one member of the Commission—I believe the Chairman of the Commission—is a native-born Canadian?

Mr. ROGERS of Colorado. Well, I never looked into the ancestry of the members of the Commission.

Mr. GROSS. In this case——

Mr. ROGERS of Colorado. May I state to the gentleman that that is in part a responsibility of the President. If there is a responsibility from those who might appoint him they would know about that. However, the Speaker of this House has the right to appoint members of the Commission and we have on the Commission the gentleman from Massachusetts (Mr. DONOHUE) and the gentleman from Virginia (Mr. MARSH). If there happens to be one born in Canada, I have no knowledge of it.

Mr. GROSS. He is now a naturalized citizen as I understand it, but it seems incongruous to me that a native-born Canadian would head the American Revolution Bicentennial Commission and that some of the Original 13 States have no representation on the Commission.

Mr. ROGERS of Colorado. The public members are appointed by President Nixon.

Mr. GROSS. I do not care whom they are appointed by. That is not the point at all.

Mr. ROGERS of Colorado. I have no knowledge——

Mr. GROSS. Let me ask the gentleman this question: Why did the Commission not produce its report on July 4, 1969, as scheduled?

Mr. ROGERS of Colorado. Well, for the simple reason, as we set forth in the report, after we created the Commission on July 4, 1966, it took the President about a year in which to appoint the Commission.

Mr. GROSS. It took who?

Mr. ROGERS of Colorado. President Johnson. It took him a year to appoint the Commission. The Commission was appointed and met but it was not able to get the money with which to carry on its operations. So, the Commission made an application to Congress for authorization of money in connection with its work. Then it took the Congress about 18 months to get around to authorizing the money and the appropriation. When they finally got around to it, all of the original members, those largely appointed, at least the public members by the President, submitted their resignation to President Nixon and he in turn appointed the Commission on July 3, 1969. So, they did not have a chance——

Mr. GROSS. How much money has been appropriated for this Commission?

Mr. ROGERS of Colorado. The sum of $150,000 has been appropriated for fiscal 1969. This would authorize $450,000 for fiscal year 1970. However, the Interior Committee has an appropriation in that bill in the amount of $175,000 for fiscal year 1970.

Mr. GROSS. While they were playing politics with this Commission for 3 years, what happened to the money?

Mr. ROGERS of Colorado. I do not know of any politics being played with reference to it.

Mr. GROSS. Well, it seems to me they could have had a Commission established long before and in 3 years have produced a report on July 4, 1969.

The gentleman from Colorado may have some explanation for this. I do not know. But it just seems incredible to me that a Commission would be in existence for 3 years and have spent a minimum of $150,000 and still has not submitted a report.

Mr. ROGERS of Colorado. I wonder if the gentleman understood me a moment ago when I stated that President Johnson took over a year to appoint the public members and that after that, they had a meeting?

Mr. GROSS. That is pretty good evidence that they played politics with it for a year.

Mr. ROGERS of Colorado. Pardon?

Mr. GROSS. I said that is pretty good evidence that they played politics with it for a year.

Mr. ROGERS of Colorado. The gentleman can evaluate it in any way he wants. I do not see any politics.

Mr. GROSS. All I am trying to get at is how much money has been spent during this 3-year period, or whatever portion of the time that was covered by the appropriation, and what results have we received for what has already been spent. I do not seem to be able to get very good answers.

Mr. ROGERS of Colorado. I tried to answer the gentleman a moment ago in saying that in 1969 there was $150,000 appropriated, and as for fiscal year 1970 there is $175,000.

Mr. HALL. Mr. Speaker, with the suggestion that the committee which exercises surveillance and oversight when we next extend this authorization insist that a person who was born in Canada, no matter how nobly he may have overcome this through the naturalization proceedings, no longer chair the Commission unless the Redcoats return again, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

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

S. 2462

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the joint resolution entitled "Joint Resolution To Establish the American Revolution Bicentennial Commission, and for other purposes", approved July 4, 1966 (80 Stat. 259), as amended by the Act of December 12, 1967 (81 Stat. 567), is further amended—

(1) by striking out "July 4, 1969" in section 3(d), and inserting in lieu thereof "July 4, 1970"; and

(2) by striking out "fiscal year 1969" in section 7(a), and inserting in lieu thereof "fiscal year 1970".

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

AMENDING MILITARY PERSONNEL AND CIVILIAN EMPLOYEES' CLAIMS ACT OF 1964, WITH RESPECT TO CLAIMS AGAINST THE UNITED STATES FOR PERSONAL PROPERTY

The Clerk called the bill (H.R. 13696) to amend the Military Personnel and Civilian Employees' Claims Act of 1964, as amended, with respect to the settlement of claims against the United States by civilian officers and employees for damage to, or loss of, personal property incident to their service.

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

H.R. 13696

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(b)(1) of the Military Personnel and Civilian Employees' Claims Act of 1964, as amended (78 Stat. 767 as amended by 79 Stat. 789), is amended by striking out "$6,500" and inserting in place thereof "$10,000".

SEC. 2. Section 1 of this Act is effective August 31, 1964, for the purpose of reconsideration of settled claims as provided in this section. Notwithstanding section 4 of the Military Personnel and Civilian Employees' Claims Act of 1964, or any other provision of law, a claim heretofore settled in the amount of $6,500 solely by reason of the maximum limitation established by section 3(b) of the Military Personnel and Civilian Employees' Claims Act of 1964, as amended, may, upon written request of the claimant made within one year from the date of enactment of this Act, be reconsidered and settled under the amendment contained in section 1 of this Act.

With the following committee amendment:

Pages 1 and 2, strike all of section 2.

The committee amendment was agreed to.

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.

DEFINING THE TERM "CHILD" FOR PURPOSES OF TITLE 38, UNITED STATES CODE

The Clerk called the bill (H.R. 10106) to revise the definition of a "child" for purposes of veterans' benefits provided by title 38, United States Code, to recognize an adopted child as a dependent from the date of issuance of an interlocutory decree.

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

H.R. 10106

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assmbled, That subsection 101(4) of title 38, United States Code, is amended by adding at the end thereof the following sentence:

"A person with respect to whom an interlocutory decree of adoption has been issued by an appropriate adoption authority shall be recognized thereafter as a legally adopted child, unless and until that decree is rescinded: *Provided,* That the child remains in the custody of the adopting parent or parents during the interlocutory period."

Mr. TEAGUE of Texas. Mr. Speaker, the current definition of a child in title 38, United States Code, in essence provides that an adopted child is only legally adopted when the decree of adoption has become final. The purpose of this bill is to amend the law to provide that the child shall be considered legally adopted at the time of the issuance of the interlocutory decree and shall continue to be so considered until such decree is rescinded. This would permit in cases where warranted the payment of compensation, pension, or education benefits prior to the issuance of the final decree of adoption.

This bill was submitted officially by the Veterans' Administration which states that the cost "would not be significant."

Mr. ADAIR. Mr. Speaker, I rise in support of H.R. 10106. If enacted into law, this measure will revise the definition of a "child" of a veteran to include therein an adopted child for whom an interlocutory decree of adoption has been issued.

Existing law and regulation generally recognizes, as the legally adopted child of a veteran, a child for whom a final decree of adoption has been issued. Despite the fact that the adoptive parent has assumed full parental responsibility for the child at the time an interlocutory decree of adoption is issued, the child is not recognized for purposes of veterans' benefits until the issuance of the final decree.

On the other hand, a stepchild accepted into a veteran's household is immediately recognized for veterans' benefits. It appears reasonable to assume that the parent-child relationship is at least as strong in the case of an adopted child for whom an interlocutory decree has been issued. I support the bill and urge that it be passed.

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.

RECOUPMENT OF DISABILITY SEVERANCE PAY

The Clerk called the bill (H.R. 10912) to amend title 38, United States Code, to liberalize the conditions under which the administrator of Veterans' Affairs is required to effect recoupment from disability compensation otherwise payable to certain disabled veterans.

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

H.R. 10912

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 11 of title 38, United States Code, is amended by adding the following new section at the end thereof:

"§ 361. Payment of disability compensation in disability severance cases

"The deduction of disability severance pay from disability compensation, as required by section 1212(c) of title 10, United States Code, shall be made at a monthly rate not in excess of the rate of compensation to which the former member would be entitled based on the degree of his disability as determined on the initial Veterans' Administration rating."

Mr. TEAGUE of Texas. Mr. Speaker, under existing law, members of one of the branches of the Armed Forces who become permanently disabled to such a degree as to make them unfit to perform their duties may be granted disability retirement pay from the branch of the service with which they served, if they have 8 or more years of service and if the degree of disability is 30 percent or more. If the period of service is less

than 8 years or the degree of disability is less than 30 percent, as determined under the Veterans' Administration's schedule for rating disabilities, then a lump-sum payment—disability severance pay—is made in lieu of the monthly disability retirement. The law provides that the amount of this lump-sum payment shall be deducted from any compensation for the same disability to which the veteran becomes entitled under laws administered by the Veterans' Administration.

Thereafter, the veteran may not receive the disability compensation to which he would otherwise be entitled until the disability severance pay has been completely repaid. This is true even if his disability becomes more disabling, for example, suppose the severance pay amounted to $5,000 and the disability was 20 percent—which now amounts to a monthly compensation payment of $43—and suppose the veteran's disability should increase to being totally disabling. While the veteran would be entitled to $400 a month based on total disability, he could not receive any of the increased benefits until and unless the $5,000 had been completely repaid representing recoupment of the disability severance pay.

This bill which was suggested by the Veterans' Administration and transmitted formally to the Congress, permits the Veterans' Administration, in the example indicated, to deduct the initial rate of compensation rather than the current amount to which he is eligible. In the example used, if this bill is enacted into law, the veteran would receive $400 a month based on his total disability. From that would be deducted each month $43, that being the current rate for 20-percent disability and this $43 deduction would be continued until the $5,000 disability severance pay was completely recouped.

The Veterans' Administration states:

The number affected would be small and that any cost involved would not be significant.

Mr. ADAIR. Mr. Speaker, I rise in support of H.R. 10912. This bill will revise the procedures under which disability severance pay is recouped from disability compensation payable.

Under existing law, a lump-sum payment called disability severance pay is made to servicemen separated with disabilities or length of service that do not meet the minimum criteria for disability retirement benefits. Should the former serviceman subsequently become eligible for monthly disability compensation, payment must be withheld until an amount equal to the disability severance pay has been recovered.

Should the degree of disability remain constant, no unusual hardship results from this procedure. Should the disability increase in severity, however, rendering the veteran unemployable and entitled to total disability benefits, such payments must be withheld in their entirety until recovery of the severance pay has been effected. Thus deprived of his only source of income, the veteran suffers financial hardship.

The bill before us will correct this unfortunate situation by requiring that recovery be in an amount that will not exceed the initial amount of disability compensation payable. I urge that this bill be passed.

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. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks in the RECORD on this bill, H.R. 10912.

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

There was no objection.

AMENDING THE ACT PROVIDING FOR THE ESTABLISHMENT OF THE FREDERICK DOUGLASS HOME AS A PART OF THE PARK SYSTEM IN THE NATIONAL CAPITAL

The Clerk called the bill (H.R. 5968) to amend the Act entitled "An act to provide for the establishment of the Frederick Douglass home as a part of the park system in the National Capital, and for other purposes," approved September 5, 1962.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. JOHNSON of Pennsylvania. Mr. Speaker, reserving the right to object, and I do so for the purpose of interrogating the gentleman from Colorado (Mr. ASPINALL).

Mr. Speaker, I notice in the report that when this home was made a national shrine, or park, that it was contemplated that a drive would be made for donations among patriotic citizens in order to finance the rebuilding and reconstruction, and so forth, of the residence, and the area.

Does the gentleman know whether such a drive was ever had among interested parties in order to try to raise the money to resurrect this building rather than now asking an expenditure of upward of half a million dollars to do it?

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

Mr. JOHNSON of Pennsylvania. I yield to the gentleman from Colorado.

Mr. ASPINALL. Mr. Speaker, and Members of the House, in the first place, we want to keep in mind that the approximate 8 acres, together with the improvements, were donated or contributed in the first place for the purpose of creating a national historic site for this great American. In the second place, at the time it was being considered for authorization, the Department of the Interior, through its Bureau of the Park Service, understood the building to be in fairly good condition, and that there would be only about $25,000 needed to repair it.

It has been found since then that there is great deterioration in the building and it takes more money for needed rehabilitation.

There has been a desire on the part of those who donated and contributed in the first place to go ahead and get some of the money that the gentleman speaks about. But these moneys have not been forthcoming. It has been impossible to get the needed money.

Also, it has been impossible to get the title cleared up to an adjacent piece of property from which they thought there might be some funds secured.

So we find ourselves in the position at the present time of having a national historic site, but it is not usable. Its foundations have gone out from under it and a great many of the walls and the inside is deteriorating and so forth. In order to make it usable—and by the way it is now closed to the public—but in order to make it usable, we are endeavoring now to see to it that it is put into proper shape so that it will fit correctly in the national park system.

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

Mr. JOHNSON of Pennsylvania. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding.

Mr. Speaker, I wish to say only this, that I was one of those who in 1962 asked some questions concerning the designation of the Douglass property as a national park. At that time we had every assurance that the money specified in that authorization would cover the costs.

Now I would like to ask the gentleman if we can have the assurance that the money proposed to be provided through this authorization will meet the needs for rehabilitating this structure and the grounds?

Mr. ASPINALL. Mr. Speaker, will the gentleman yield to me so that I may answer the gentleman's question?

Mr. JOHNSON of Pennsylvania. I yield to the gentleman.

Mr. ASPINALL. I remember very well my friend, the gentleman from Iowa, asking the questions to which he made reference. I was one of those who replied to his questions and I did so on the basis of the justification which was made by the National Park Service.

The Park Service, in my opinion, had not done its job well and had not examined the structures as it should have examined them in the first place.

I can assure the gentleman from Iowa now, with this present justification that has been made, that it is my opinion that this will take care of the rehabilitation of the buildings and will take care of the needed improvement of the grounds.

Let me be perfectly honest with my friend, the gentleman from Iowa, and state that a certain amount of operating expenses specified come out of the usual budget of the National Park Service, as my friend knows. This will continue to be carried on just as it would for any other National Park Service facility.

But so far as reconditioning the buildings and so far as putting them into proper condition, the money provided in this authorization will do the job.

Mr. GROSS. The gentleman from Iowa supported the bill in 1962 and I support this bill, but I just do not like to be misled. I am not saying it was de-

liberate, but I do not like to be misled on these things. I accept and appreciate the explanation of the gentleman and the assurance that the gentleman from Colorado has now given to us as to this revised proposition.

Mr. ASPINALL. I thank the gentleman.

Mr. Speaker, H.R. 5968, as recommended by the Committee on Interior and Insular Affairs, seeks to increase the amount authorized to be appropriated for the restoration and development of the home of Frederick Douglass in the District of Columbia.

In 1962, our committee considered and recommended the enactment of the legislation which led to the donation and acceptance of this valuable property by the National Park Service. We were advised that it could be refurbished and repaired for some $25,000 and that, if funds in excess of that amount were needed, the remainder could be secured from voluntary donations. Unfortunately, a detailed examination of the house revealed extensive damage from storms and insects, making minor repairs inadequate. Furthermore, no donations were received to help underwrite the costs anticipated. The result has been that the property has been closed to the public.

If the dangerous condition of the house is to be corrected and its continued deterioration arrested, a substantial investment will be necessary. In reviewing this matter, the committee concluded that the objective of the original legislation remained valid: Frederick Douglass was an outstanding American who deserves recognition for the contributions which he made to our society. Looking at the objective, we concluded that the interpretive approach required a substantial revision if the property was to accomplish its purpose.

Unlike the legislation enacted in 1962, H.R. 5968 contemplates the complete restoration of the buildings and grounds at "Cedar Hill." In addition, the development plan calls for the construction of a visitor contact station, the installation of modern interpretive devices, and new heating and utility systems. These improvements were not included in the original authorization, but they are necessary if this facility is to be meaningful to those who will visit it.

Mr. Speaker, Frederick Douglass was an outstanding man. Born a slave, he became a talented, self-educated lecturer and author whose idealism was not shaken nor stymied because achievement required sacrifice and hard work. He struggled for his liberty and he used all of his skills and energy constructively to help his fellow man—and not just his race—achieve dignity and equality. We were told that Frederick Douglass worked through the "system" and not around it to achieve his goals. All Americans today should recognize, as Frederick Douglass did, that our system is adaptable to change when reasonable people seek it by utilizing their collective talents constructively.

In enacting H.R. 5968 and expanding the commitment at the home of Frederick Douglass, we are recognizing the contributions of a man who should be remembered.

Mr. Speaker, as chairman of the Committee on Interior and Insular Affairs, I recommended the favorable consideration of H.R. 5668, as amended.

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

Mr. JOHNSON of Pennsylvania. I yield to the gentleman.

Mr. SAYLOR. Mr. Speaker, I want to say to my colleague, the gentleman from Pennsylvania, and to my friend, the gentleman from Iowa, that at the time this bill was considered in 1962, the foundation which was authorized by the Congress had every reason to believe that the arrangement they had entered into with regard to an adjoining piece of property would turn out to be a real moneymaker and that they would be able to supply additional sums of money for the rehabilitation and maintenance of this home.

Now, because of things that have taken place in the meantime, they find that their expectations were not realized—and for your benefit and for the benefit of all Members, I have asked the Department of Justice to investigate to determine whether or not this federally authorized organization has been taken advantage of and, if so, to prosecute those who had charge of it, because I think there has been a violation of a trust which the Congress gave to the foundation. I believe the assurance that has been given by the chairman of the committee and the assurance which we have been given by the Park Service will see to it that there is sufficient money now in this bill to take care of the rehabilitation.

Mr. Speaker, I rise in support of this legislation which authorizes an increase in appropriations for the restoration and development of the Frederick Douglass home. This home was established as a part of the National Capital park system of the Department of the Interior on September 5, 1962, as a memorial to an outstanding American—Frederick Douglass.

At the time the act was passed in 1962, the Department of the Interior and the National Park Service estimated the costs of restoration to be more than $25,000 and that the amount in excess of this appropriation would be raised through donations to the Frederick Douglass Memorial. Well, what was anticipated and expected did not come to pass and the work authorized by the act passed in 1962 has not been undertaken. The department, on further inspection, found the home to be structurally damaged and the expected donations were not forthcoming. The net result is that more money is needed to accomplish what was authorized by the act of September 5, 1962.

This legislation will authorize the appropriation of these additional funds to restore and develop Cedar Hill, the home of this outstanding American Negro. From humble beginnings Frederick Douglass went on to become a most successful individual and a true leader to our American Negro people. It is entirely proper then, that we should see to it that a suitable memorial is established in his honor.

But it is sad to note that part of the lands at Cedar Hill which were formerly owned by this great American are now and have been in legal controversy. I would solicit the Attorney General and the Department of Justice to lend its assistance to the Frederick Douglass Association in its efforts to uncover the fraudulent design of those who stalled the good work of the Frederick Douglass Association.

Mr. Speaker, I urge the passage of this legislation.

Mr. DIGGS. Mr. Speaker, I rise in support of H.R. 5968, introduced by myself, and eight companion bills by Representatives CHISHOLM (H.R. 9359 and H.R. 11928), DULSKI (H.R. 12293), ROYBAL (H.R. 12385), MCCLORY (H.R. 12480), ADAMS (H.R. 12830), CONYERS (H.R. 12872), and HORTON (H.R. 13009).

This legislation will authorize increased appropriations for the restoration and development of Cedar Hill, the home of the late Frederick Douglass, so a memorial to an outstanding American may be used and enjoyed by the general public.

It was in 1962, when authority was granted to the Secretary of the Interior to accept a donation of this property, 1411 W Street SE., Washington, D.C., for rehabilitation and administration as a unit of the National Capitol parks system. This involved deeding approximately 8 acres of land to the United States by the Frederick Douglass Memorial and Historical Association, which is federally chartered.

It was recognized however, at the time of authorization, that extensive repairs might be necessary, but Government funding for this purpose was limited to $25,000.

It was hoped that any additional cost would be met from donated private funds. Unfortunately, both premises upon which the modest authorization was founded proved erroneous.

First, after the Department of the Interior assumed control of the property in 1964, an extensive study revealed critical deterioration of the structure due to serious damage from termites and storm caused water.

Second, the anticipated donations never materialized nor did income the association expected from a contiguous piece of property.

As a result of these circumstances, Cedar Hill has been closed to the public, the furnishings and memorabilia have been removed to protect them from further destruction, and the house has been boarded up.

If enacted, H.R. 5968 will rectify the situation and enable the National Park Service to make it a fitting and useful facility.

In so doing, the honored place in history which Frederick Douglass maintains in the hearts and minds of million of Americans and the particular pride which his life has generated among black people everywhere will be better preserved.

Mr. Speaker, few in our society have overcome such formidable obstacles in

rising above the circumstances of birthright. Frederick Douglass, the outstanding spokesman of black people during his generation, was born a slave in 1817. He educated himself despite abject poverty and the limitations imposed upon him because of his race.

He first came to national attention when the famous abolitionist, William Lloyd Garrison, called upon him to make an impromptu speech at an antislavery convention in New Bedford, Mass., while he was in his early twenties.

His oratorial persuasion was so impressive that he was employed as a lecturer for the Massachusetts Antislavery Society. He was later sent to Great Britain as a lecturer and writer and was held in high esteem by some of the most prominent citizens of that country. His growing reputation prompted them to raise funds to purchase his freedom, since he was still a fugitive slave, and for escalating his antislavery agitation upon returning to America in 1847.

His manifold interest included founding and editing the North Star, a Rochester, N.Y., newspaper, fighting for women's suffrage, temperance, the abolition of capital punishment and international peace.

All these activities naturally brought him into the political arena where among other things he became prominently involved in the campaign to elect Abraham Lincoln as President of the United States. During the Civil War he assisted in raising two regiments of black troops in Massachusetts, and afterwards worked assiduously for ratification of the 13th, 14th, and 15th amendments to the Constitution.

Subsequently, he served in various capacities with our Government as Minister to Haiti, Chargé D'Affairs for Santa Domingo, recorder of deeds in the District of Columbia and presidential elector from New York.

This then, Mr. Speaker, is one of the genuine heroes of American history and we are fortunate that Cedar Hill, which became his home in 1874, is located here in our Nation's Capital, where his memory can be further enshrined along with other great men who have contributed so much to the American dream.

The proper development of this property with visitors' facilities, modern interpretive devices and adequate parking space in the beautiful setting as Frederick Douglass knew it, would be instructive and inspirational to people of all ages and races, and would pay dividends far in excess of the additional $388,000 requested by H.R. 5968.

Mr. RYAN. Mr. Speaker, 7 years ago Congress passed legislation which designated the Anacostia homesite of Frederick Douglass as part of the National Capital park system. At that time the expenditure of $25,000 was authorized to restore and develop the buildings and grounds at Cedar Hill in order that this proposed memorial to an outstanding American could be enjoyed by the public. Unfortunately, the amount of money authorized will not be sufficient because of the extensive deterioration of the home.

Cedar Hill was the home of an American who stood head and shoulders above most of the men of his era. Few are aware of the contribution Frederick Douglass made to our Nation. For example, it is not widely known that he visited President Lincoln several times to discuss slavery or that he organized two Negro regiments in Massachusetts during the Civil War.

In all his achievements, and they were many, for he was an orator, writer, and editor of the North Star abolitionist newspaper, one must bear in mind that Frederick Douglass was born a slave. In his life he experienced the iniquities of our society—prejudice, degradation, ignorance, hunger, and poverty. In spite of these odds, he educated himself and went on to make a great contribution to our Nation.

Amid the tensions which are so prevalent in our society today, we would do well to remember his words:

> The man outraged is the man to make the outcry. Depend on it, men will not care much for a people who do not care for themselves.

Cedar Hill would be a meaningful symbol to all Americans—black and white. It would evidence our commitment to equality and justice.

Mr. Speaker, I can think of no more suitable location for such a memorial than in our Nation's Capital. I am particularly pleased to support this legislation so that Cedar Hill may be preserved as a recognition of the achievements of Frederick Douglass and the Afro-American contribution to our Nation's culture.

Mr. BURLISON of Missouri. Mr. Speaker, I take pleasure in supporting along with Representatives DIGGS, CONYERS, CHISHOLM, and others H.R. 5968 providing $413,000 for the restoration as a national memorial of the home of a great black American, Frederick Douglass.

In 1962, the Congress considered and enacted legislation authorizing the Secretary of the Interior to designate the former home of Frederick Douglass, known as Cedar Hill, for preservation as a part of the park system of the National Capital. Subsequently, on June 25, 1964, the house, located at 1411 W Street, SE., and approximately 8 acres of land were deeded, without cost, to the Federal Government by the Frederick Douglass Memorial and Historical Association.

At the time of the authorization, it was recognized that extensive repairs might be necessary. The committee report on the legislation stated that "Cedar Hill appears to be structually sound but it is badly in need of repairs"; however, the funds authorized to be appropriated to rehabilitate and refurbish it were limited to $25,000. It was anticipated that additional costs might very likely be incurred, but it was hoped that they could be absorbed from donated funds expected to be raised for this purpose. Unfortunately, both premises upon which the modest authorization was founded proved faulty. First, an intensive study revealed extensive deterioration of the structure due to damage caused by water and insects and second, the anticipated donations never materialized.

The result of these regrettable, but unforeseeable circumstances has been that Cedar Hill has been closed to the public, that it is continuing to deteriorate, and that the objective of the Congress in making it a part of the national park system has been thwarted. If enacted, H.R. 5968 will rectify the situation and enable the National Park Service to make it a meaningful and useful park facility.

No action which the Congress can take can make a place in history for any man. That, he must do for himself. But the Congress can, by legislative action such as this, recognize the significance of a man's contributions and, in so doing, it can help to make them meaningful examples for the guidance and inspirations of generations to follow. It is highly appropriate that the Congress should commemorate the memory of Frederick Douglass. He was the kind of man who should be remembered.

Frederick Douglass was born a slave; he struggled for his liberty. A Negro, he suffered all of the torments of the people of his race, but he converted his frustrations into constructive energy which was the driving force of his character. Raised in ignorance, he educated himself; reared in complete poverty, his industry brought him wealth and independence; lacking in social standing, he became one of the foremost orators and powerful writers of his age. Facing all of the prejudices against his race in his times, he became a champion in the political arena. All of this did not come without effort or hardship but it came because his ideals were unimpeachable and his methods of achieving them were compatible with the American system.

Cedar Hill is symbolic of the achievements of this 19th century leader. It sits on the crest of a hill in a residential neighborhood of the Anacostia section of the District of Columbia. With proper development of appropriate visitor facilities—including a visitor contact station, parking space, and the like—it could be a significant unit of the park system in the National Capital region. Through interpretive devices, this man and his contributions could assume their proper place in the historic panorama depicted by the various historic sites located throughout the Nation and visitors of all ages and races could benefit from the experience associated with a tour of the home.

Although the extensive restoration contemplated by H.R. 5968 was not the objective of the original act in 1962, it is apparent that minor repairs will not adequately improve the property to make it useful as an interpretive historic facility. It is now unsafe for visitors to enter the house, because of the deterioration of the structural members, and most of the furnishings and memorabilia associated with Frederick Douglass have been removed to protect them from destruction. If the site is to be useful, a new approach is essential; a smaller investment would be inadequate to accomplish the objective.

To provide a meaningful facility, it will be necessary to restore completely the buildings and grounds so that they reflect Cedar Hill as Frederick Douglass knew it. This will involve the reconstruction of the carriage approach to the house, the installation of new heating

and utility systems, and the general restoration of the interior and exterior of the home. In addition, the plan for the site includes the construction of a visitor contact station and the installation of modern interpretive devices.

All of these undertakings require substantial sums of money. H.R. 5968, as recommended, increases the authorization for this purpose from the present $25,000 limitation to $431,000—an increase of $388,000. On the basis of current estimates, this should make the Frederick Douglass home a most attractive memorial to an outstanding American.

It is extremely unfortunate that at the present time we do not have a single shrine or memorial to black Americans. There have been many people who would qualify. The action which we are taking today is a good starting point.

The SPEAKER. Is there objection to the present consideration of the bill?

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

H.R. 5968

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Act entitled "An Act to provide for the establishment of the Frederick Douglass home as a part of the park system in the National Capital, and for other purposes", approved September 5, 1962 (76 Stat. 435), is amended to read as follows:

"Sec. 4. There are authorized to be appropriated not more than $450,000 to carry out the purposes of this Act."

With the following committee amendment:

Page 1, beginning on line 8, strike out all of section 4 and insert in lieu thereof the following:

"Sec. 4. There are authorized to be appropriated such sums, but not more than $413,000, as may be needed for the restoration and development of buildings and grounds at Cedar Hill."

The committee amendment was agreed to.

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 REMARKS

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AMENDING SECTION 19(e) OF THE SECURITIES EXCHANGE ACT OF 1934

The Clerk called the joint resolution (H.J. Res. 754) to amend section 19(e) of the Securities Exchange Act of 1934.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. JOHNSON of Pennsylvania. Mr. Speaker, reserving the right to object, may I interrogate the gentleman from California (Mr. Moss), on this joint resolution? The question I wish to pose is with respect to institutionalized holdings of stock. In my district, as in a good many other districts, it seems to be a plan in this Nation for institutionalized holdings of large blocks of stock to get together and then make contact with a conglomerate, and for $10 a share more than the stock is selling for on the market, they sell the stock to the conglomerate, which then comes in and takes over the company. Will the study provided for by the joint resolution go into this very important situation which is prevailing in this country right now to the detriment of many fine companies?

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

Mr. JOHNSON of Pennsylvania. I yield to the gentleman from California.

Mr. MOSS. The study is intended to deal specifically with that problem and many others related to the increasing concentration of business in the hands of institutional investors.

Mr. JOHNSON of Pennsylvania. Another question. To what extent has the investigation by the SEC accomplished anything to date?

Mr. MOSS. They have not moved as rapidly as we would like to have seen them move along. But recognizing the fact that funds were not appropriated until the 31st of October last year, and it then took time to recruit the staff, I believe progress is within reasonable bounds, and the Commission should be able to file its report with Congress not later than September 1 of next year.

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

Mr. JOHNSON of Pennsylvania. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding. I am interested in the fact that there are no departmental views. Were departmental views sought on this legislation not forthcoming? Were departmental views sought by the committee?

Mr. MOSS. I would like to say to the gentleman that the views of the Securities and Exchange Commission and the views of the Bureau of the Budget were sought. Whether or not they were formally transmitted to the committee for printing, I know that they supported the matter before the committee's hearings on the issue.

Mr. GROSS. Of course, as the gentleman well knows, the report contains no views from any department of the Government?

Mr. MOSS. We have had some difficulty in getting views in a timely fashion.

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

Mr. JOHNSON of Pennsylvania. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I wonder why in the committee's opinion it is necessary that we enact this extension so quickly? I notice in the committee report it says it is important, but fails to list the reason for action either by unanimous consent or under suspension or quickly. Personally, I have no objection, but I wonder why the haste.

Mr. MOSS. We have had to extend the time for reporting to permit the commission sufficient time to program its studies. If we hold it to its own reporting date, which would be totally unrealistic, it would be impossible for the commission to complete its work.

Mr. HALL. Public Law 94–38, I believe requires the report on September 1, 1969.

Mr. MOSS. That is correct.

Mr. HALL. This resolution would extend it to September 1, 1970. If my watch calendar is correct, we are now a month and 6 days late with the report. If we are that late before we extend the reporting date for another 11 months, I repeat, why the haste?

Mr. MOSS. Mr. Speaker, we have been told, if the gentleman will yield, that the additional period of approximately 11 months that the period will be extended here will enable them to complete their work, but it is necessary for us to extend it, or the Commission would expire.

Mr. HALL. The fact is, that the reporting date has already expired and we are acting after the fact, by a month and 6 days, to legalize this report by extending the date.

Mr. MOSS. That is correct.

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

Mr. JOHNSON of Pennsylvania. I yield to the gentleman from Massachusetts.

Mr. KEITH. Mr. Speaker, in view of the point raised by the gentleman from Pennsylvania, and the urgency noted in the report before us, may I ask the chairman, is it not his intention to ask for an early interim report that might delve into the subject brought up by the gentleman from Pennsylvania?

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

Mr. JOHNSON of Pennsylvania. I yield to the gentleman from California.

Mr. MOSS. Mr. Speaker, responding to the very distinguished gentleman, the ranking minority member of this subcommittee, I would say it is our mutual intent to have interim reports and we alerted the Commission to the fact that we would expect them in their next appearance before the committee to give us far greater detail than they did in their appearance at the time of the hearing on this resolution.

Mr. KEITH. Mr. Speaker, I thank the gentleman.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

H.J. RES. 754

Whereas additional time is required for the Securities and Exchange Commission to complete its institutional investors study, and file a report with respect thereto, pursuant to section 19(e) of the Securities Exchange Act of 1934: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 19(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78s(e)) is amended—

(1) by striking out in paragraph (1) "September 1, 1969" and inserting in lieu thereof

With the following committee amendments:

On the first page, at the end of line 6, insert the following: " 'September 1, 1970'; and".

"(2) by striking out in paragraph (4) '$875,000' and inserting in lieu thereof '$945,000'."

The committee amendments were agreed to.

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.

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be discharged from further consideration of a similar Senate joint resolution (S.J. Res. 112) to amend section 19(e) of the Securities Exchange Act of 1934 and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

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

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES 112

Whereas additional time is required for the Securities and Exchange Commission to complete its study, and file a report with respect thereto, pursuant to section 19(e) of the Securities Exchange Act of 1934; and

Whereas the actual amount to be expended by the Commission in making such study and report will not exceed the original authorization of $875,000; and

Whereas an increase of $70,000 in such authorization is required because of the sums heretofore appropriated pursuant to such authorization $70,000 will be returned unexpended to the Treasury as of June 30, 1969: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 19(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78s(e)) is amended—

(1) by striking out in paragraph (1) "September 1, 1969" and inserting in lieu thereof "September 1, 1970"; and

(2) by striking out in paragraph (4) "$875,000" and inserting in lieu thereof "$945.000".

MOTION OFFERED BY MR. MOSS

Mr. MOSS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Moss moves to strike out all after the resolving clause of Senate Joint Resolution 112 and insert the provisions of House Joint Resolution 754, as passed.

The motion was agreed to.

The preamble was amended so as to read:

Whereas additional time is required for the Securities and Exchange Commission to complete its institutional investors study, and file a report with respect thereto, pursuant to section 19(e) of the Securities Exchange Act of 1934: Now, therefore, be it

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.

A similar House joint resolution (H.J. Res. 754) was laid on the table.

TRANSFER OF PEANUT ACREAGE ALLOTMENTS

The Clerk called the bill (H.R. 14030) to amend section 358a(a) of the Agricultural Adjustment Act of 1938, as amended, to extend the authority to transfer peanut acreage allotments.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RYAN. Mr. Speaker, reserving the right to object, may I ask the author of the bill, for how long under this bill (H.R. 14030) would the authority to transfer peanut acreage allotments be extended?

Mr. O'NEAL of Georgia. Mr. Speaker, if the gentleman will yield, I will say it is for 1 year. It is an extension of the bill the House passed on the Suspension Calendar 2 years ago, and this bill would extend it for 1 year.

Mr. RYAN. Is this the same program which was on the Suspension Calendar on August 21, 1967, and which failed on suspension on that day by a vote of 208 to 146?

Mr. O'NEAL of Georgia. Mr. Speaker, if the gentleman will yield further, I will say it was also on the Suspension Calendar later in the year and passed.

Mr. RYAN. On November 6, by a vote of 256 to 57?

Mr. O'NEAL of Georgia. I believe that is correct.

Mr. RYAN. Mr. Speaker, in view of the number of House Members who were opposed to the bill 2 years ago, I question whether this bill should be brought to the House on the Consent Calendar. There may be Members of the House who might wish to raise questions and debate the merits of the program.

The SPEAKER. Does the gentleman from New York object to the present consideration of the bill?

Mr. RYAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

AMENDING THE FEDERAL SEED ACT

The Clerk called the bill (S. 1836) to amend the Federal Seed Act (53 Stat. 1275) as amended.

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

S. 1836

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101(a)(25) of the Federal Seed Act is amended to read as follows:

"(25) The term 'seed certifying agency' means (A) an agency authorized under the laws of a State, Territory, or possession, to officially certify seed and which has standards and procedures approved by the Secretary (after due notice, hearings, and full consideration of the views of farmer users of certified seed and other interested parties) to assure the genetic purity and identity of the seed certified, or (B) an agency of a foreign country determined by the Secretary of Agriculture to adhere to procedures and standards for seed certification comparable to those adhered to generally by seed certifying agencies under (A)."

SEC. 2. Section 102 of such Act is amended to read as follows:

"SEC. 102. Any labeling, advertisement, or other representation subject to this Act which represents that any seed is certified seed or any class thereof shall be deemed to be false in this respect unless (a) it has been determined by a seed certifying agency that such seed conformed to standards of genetic purity and identity as to kind or variety, and is in compliance with the rules and regulations of such agency pertaining to such seed; and (b) the seed bears an official label issued for such seed by a seed certifying agency certifying that the seed it of a specified class and a specified kind or variety."

(Mr. ABERNETHY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ABERNETHY. Mr. Speaker, nothing could be more fundamental to the future of the agricultural industry than the use of highest quality planting seed. Such is essential to securing better stands of vigorous growing plants, to securing higher yields, and to the production of quality products. Therefore, everything we do to bring about the best quality seed is not only in the interest of agriculture and to our farmers, but also to the consuming public.

Seed now sold on the market as certified seed is generally regarded as seed that is certified as to class and genetic purity by a seed-certifying agency that has made the field and other investigations necessary to determine the facts certified. But present law does not specifically require that the seed be certified as to national minimum standards of class, genetic purity, and other facts. Certification under the present law now means only that the seed was determined to be produced, processed, and packaged, and conformed to standards of purity as to kind or variety in compliance with rules and regulations of the seed-certifying agency in the area or State where produced. In other States or areas the rules, regulations, and standards might be, and usually are, entirely different.

This situation does not assure the purchaser that the seed meets any uniform minimum standards. The purpose of this bill is to assure that all seed sold in all States must meet certain minimum requirements, as established by the Department of Agriculture, if sold and represented to be certified seed. The bill before the House authorizes the Secretary of Agriculture to assemble and invoke minimum standards to assure genetic purity and identity of the seed certified.

I introduced this legislation (H.R. 10236) in the House of Representatives on April 17, 1969, at the request of the Mississippi Seed Improvement Association and the National Association of Official Seed Certifying Agencies. The measure was cosponsored by my colleague, the gentleman from Mississippi (Mr. MONTGOMERY).

Committee hearings developed that the bill had national support, as well as the support of the Department of Agriculture.

To save time, it was agreed that the Committee on Agriculture would report the Senate bill, which is now before the House and which had already passed the Senate, rather than report the Abernethy-Montgomery bill.

Mr. Speaker, this is good legislation. It has strong nationwide support. It will be helpful to agriculture and also to the American consumer.

We commend it to your favorable consideration.

(Mr. MONTGOMERY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MONTGOMERY. Mr. Speaker, I rise in support of Senate bill 1836 to

amend the Federal Seed Act. One reason that I am so strongly in favor of this legislation is the fact that I was coauthor of an identical bill that was introduced in the House earlier this year. But even if I had not coauthored similar legislation, I would still voice strong approval of the pending bill. I firmly believe this bill is needed by the farmers of America in their efforts to increase acreage yield and to improve the quality of their harvested crops.

This bill would amend the Federal Seed Act to allow the Secretary of Agriculture to set minimum standards for the certification of seeds moving in interstate and international commerce in order for the consumer and producer to be assured of the genetic purity of seeds plus greater uniformity in certified seed in the United States.

I feel that this legislation would be of great benefit to both the producer and consumer of seeds. In all instances, persons would know that seeds they are purchasing adhere to basic minimum standards of certification as set by the Secretary. At the same time, this bill would allow States or certifying organizations that wish to do so to set their standards even higher.

I would point out to my colleagues that it is the intent of this legislation that the Secretary set the standards according to those presently subscribed to by the Association of Official Seed Certifying Agencies.

I would also like for my colleagues to know that this bill has the strong support of seed-certifying agencies across the country as well as that of farmers, farm organizations, and reputable commercial producers of seed.

Mr. Speaker, to my way of thinking, this piece of legislation should indirectly contribute to increased income for the farmer. Because, if the farmer knows that he is purchasing seeds of genetic purity, he will not have to spend a lot of time and money buying several different kinds of seeds just in order to find the one that will give him the best yield on his land. And the better the yield a farmer can produce will mean more money in his pocket.

I strongly urge adoption of Senate bill 1836.

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

LICENSE FEES AND EXEMPTIONS UNDER THE PERISHABLE AGRICULTURAL COMMODITIES ACT

The Clerk called the bill (H.R. 9857) to amend the provisions of the Perishable Agricultural Commodities Act, 1930, to authorize an increase in license fee, and for other purposes.

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

H.R. 9857

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (6) of the first section of the Perishable Agricultural Commodities Act, 1930, as amended (7 U.S.C. 499a(6)), is amended by striking out "$90,000" and inserting in lieu thereof "$100,000".

SEC. 2. Paragraph (7) of the first section of such Act (7 U.S.C. 499a(7)) is amended by striking out "$90,000" and inserting in lieu thereof "$100,000".

SEC. 3. The third sentence of section 3(b) of such Act (7 U.S.C. 499c(b)) is amended by striking out "$50" and inserting in lieu thereof "$100".

(Mrs. MAY asked and was given permission to extend her remarks at this point in the RECORD.)

Mrs. MAY. Mr. Speaker, the bill before us proposes to amend the Perishable Agricultural Commodities Act to raise the authorized ceiling on the annual license fee. The bill would also broaden the exemption from license now provided in the act for certain retailers and frozen food brokers.

The Perishable Agricultural Commodities Act prohibits unfair trading practices in the marketing of fresh and frozen fruits and vegetables in interstate and foreign commerce and provides a mechanism for the settlement of reparation complaints among those handling these commodities. A system of licenses is provided as a means of enforcement and all those commission merchants, brokers, and dealers, including certain retailers and processors operating subject to the act, are required to be licensed. The annual license fees are deposited in a special PACA fund and all costs of administration of the act, except the Office of General Counsel, are financed from these fees.

From 1930, when this law was enacted, until 1950, the annual license fee was $10. However, during this period the fees collected were deposited in the general receipts of the Treasury and administration of the act was financed from appropriations. In this 20-year period, aggregate fee collection exceeded appropriations by more than $600,000.

In 1950, Congress established the PACA fund with a working balance of $150,000, increased the license fee to $15 and provided that future administration of the act would be financed solely from the fees instead of appropriations.

By 1956, it was necessary for Congress to raise the authorized license fee to $25. In the 1962 amendments to the act, the authorization was raised to $50. Under this latest authorization, the fee was increased to $36 on January 1, 1963, to $42 on January 1, 1965, and to $50 on January 1, 1969.

The need to increase the fee again arises primarily from two factors: First, the number of firms subject to license is declining, and second, the cost of administering the act has increased substantially. The number of firms licensed reached an alltime peak of approximately 27,000 in 1956. Since that time, there has been a relatively steady decline, and at present the number is approximately 19,400. During the past 5 years the net decline in the number of firms licensed has ranged between 445 and 871 annually and has averaged over 670 per year. There is reason to believe that this trend will continue.

At the same time, costs of administration have been creeping higher each year. Salaries and fringe benefits account for over 80 percent of expenditures. In an effort to minimize expenditures, employment has been limited and at present is at the lowest level in over 10 years.

The PACA fund incurred a deficit of over $12,000 in fiscal year 1968. With the continuing decline in numbers of licensees, further deficits are anticipated in both 1970 and 1971.

Since $50 is the maximum fee now permitted under the act, it is necessary to raise the fee ceiling. The Department of Agriculture and your Agriculture Committee propose that the ceiling be raised to $100. The actual licensee fee would be set by the Secretary at a level to produce the necessary revenue, and the Department estimates that an increase of $10 will be required, raising the fee from $50 to $60.

This bill also proposes to broaden the exemption from license now provided in the act for certain retailers and frozen food brokers. Exempt at present are retailers whose purchases of perishable agricultural commodities amount to $90,000 or less per year and frozen food brokers who negotiate sales for frozen fruits and vegetables having an invoice value of $90,000 or less per year. This exemption, enacted in 1962, is intended to provide relief from the licensing provisions for the smaller retailers and frozen food brokers. In view of the inflation of values which has taken place since 1962, it is proposed that the exemption for these two groups be raised from $90,000 to $100,000.

Mr. Speaker, this is essentially an administrative housekeeping bill necessary to permit continued operation of the machinery of the U.S. Department of Agriculture in administering the Perishable Agricultural Commodities Act. Testimony before our Domestic Marketing and Consumer Relations Subcommittee was predominately favorable toward this legislation, both from the U.S. Department of Agriculture and from the affected industry. The industry needs and appreciates the services provided under the PACA Act, Mr. Speaker, and is willing to pay for them. I urge my colleagues to approve this 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.

EVERGLADES NATIONAL PARK, FLA.

The Clerk called the bill (S. 2564) to amend the act fixing the boundary of Everglades National Park, Fla., and authorizing the acquisition of land therein, in order to authorize an additional amount for the acquisition of certain lands for such park.

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

S. 2564

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the Act entitled "An Act to fix the boundary of Everglades National Park, Florida, to authorize the Secretary of the Interior to acquire land therein and to provide for the transfer of certain land not included within said boundary, and for other purposes", is

amended by inserting "(a)" after "SEC. 8.", and by inserting at the end of such section a new subsection as follows:

"(b) In addition to the amount authorized in subsection (a) of this section there is authorized to be appropriated such amount, not in excess of $800,000, as is necessary for the acquisition, in accordance with the provisions of this Act, of the following described privately owned lands:

"Sections 3, 4, and 5; section 6, less the west half of the northwest quarter; sections 7, 8, 9, and 10; north half of section 15; and sections 17 and 18, all in township 59 south, range 37 east, Tallahassee meridian."

With the following committee amendments:

On page 1, line 7: Strike the second comma and insert (72 Stat. 280, 286; 16 U.S.C. 410 p),

On page 2, line 3: Strike out "$800,000," and insert in lieu thereof $700,200,

The committee amendments were agreed to.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ASPINALL. Mr. Speaker, S. 2564, as recommended by the Committee on Interior and Insular Affairs, authorizes the appropriation of $700,200 for the acquisition of certain lands within the Everglades National Park.

At the present time, the National Park Service holds an option on 6,640 acres of land known as the Flagler tract, but it has expended all of the funds authorized to be appropriated and is not in position to complete the transaction without this additional authority.

The Flagler tract is a critical piece of private property within the Everglades National Park. It is located in the area where fresh water drains from the north through the glades and sloughs to Florida Bay. The elevation of this land is such that only a small effort would be necessary to make this land suitable for development which, if it occurs, would seriously impair the ecology of the region, jeopardize the wildlife that abounds in the area, and destroy the natural values for which the park was established by the Congress.

On the basis of the option, this land can be acquired for $105 per acre. The entire cost will be $697,200, plus $3,000 for closing costs. Originally the 85th Congress authorized $2 million for the acquisition of privately owned lands within the park boundaries, but all of that money has been appropriated and expended. Even after the acquisition contemplated by this legislation, nearly 68,000 acres of privately owned lands will remain unacquired. No funds are included in this legislation to make these acquisitions; consequently, further action by the Congress will be necessary if they are to be purchased.

In approving this legislation, the committee approved two amendments. The first is technical: it merely adds a citation for reference purposes. The other reduces the amount authorized to be appropriated from $800,000 to $700,200 In considering this amendment the committee concluded that the costs should be minimized by exercising the option before it expires and that in the interests of economy, the additional flexibility which would arise, given the higher figure, should be waived.

Mr. Speaker, the Department of the Interior recommends the enactment of this legislation and the Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program, but I cannot honestly assure the Members of this House that the necessary funds will be promptly forthcoming. The Bureau of the Budget, unfortunately, will not advise, in advance, whether or not it will approve funds to give this authorization life. In approving this legislation, we are meeting our responsibility, but it remains to be seen whether or not the Bureau of the Budget will do its duty. I urge the Members of the House to approve S. 2564, as amended.

Mr. SAYLOR. Mr. Speaker, I rise in support of S. 2564, as amended, and wish to commend the gentleman from Florida (Mr. HALEY) for his sponsorship and work on this legislation.

S. 2564, as amended, authorizes the appropriation of $700,200 for the acquisition of 6,640 acres of land now privately held within the boundaries of the Everglades National Park.

The importance of this legislation and acquisition of this land cannot be overstated. My colleagues will recall the controversy that has been nationwide over the possible destruction of the Everglades National Park through the plans of the Corps of Engineers and the proposal to build a jetport. The congressional mail has been full of pleas from the American people to save the Everglades National Park. S. 2564, as amended, will go a long way in forever preserving this magnificent piece of our American heritage.

The lands to be acquired through this authorization are the lifeline of water to the ecology, alligators, and wildlife that live in the natural environment of the Everglades National Park.

Mr. Speaker, I strongly urge the passage of this legislation as it truly preserves one of the few remaining natural areas of our American heritage.

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

GENERAL LEAVE TO EXTEND

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that any Member desiring to do so may be permitted to extend his remarks at this point in the RECORD.

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

There was no objection.

TRANSFER OF PEANUT ACREAGE ALLOTMENTS

Mr. RYAN. Mr. Speaker, in regard to H.R. 14030, to amend section 358a(a) of the Agricultural Adjustment Act of 1938, as amended, to extend the authority to transfer peanut acreage allotments, I ask unanimous consent to withdraw my objection to consideration of the bill and ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

Mr. ROSTENKOWSKI. 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. 201]

Abbitt	Downing	Mann
Adams	Dulski	Mathias
Albert	Edmondson	Michel
Anderson, Ill.	Edwards, Ala.	Mollohan
Anderson, Tenn.	Edwards, La.	Moorhead
Berry	Esch	Morton
Boggs	Fascell	Mosher
Brock	Fish	Nelsen
Brooks	Flynt	Nix
Brown, Calif.	Ford, William D.	Pelly
Brown, Mich.	Foreman	Powell
Burton, Utah	Frey	Rees
Cahill	Gettys	Reid, N.Y.
Carey	Green, Pa.	Rosenthal
Casey	Halpern	Roudebush
Celler	Hanna	St. Onge
Chappell	Harrington	Sandman
Chisholm	Hébert	Scheuer
Clark	Holifield	Sikes
Clausen, Don H.	Howard	Skubitz
Clay	Jacobs	Smith, Calif.
Colmer	Karth	Smith, N.Y.
Corman	King	Stephens
Cowger	Kirwan	Taylor
Cramer	Kluczynski	Teague, Tex.
Cunningham	Kuykendall	Tunney
Davis, Ga.	Landgrebe	Vigorito
Delaney	Landrum	Watkins
Dennis	Leggett	Weicker
Dent	Lipscomb	Whalley
Diggs	Lujan	Wilson, Bob
Dorn	McDonald, Mich.	Yatron
		Young

The SPEAKER pro tempore (Mr. Moss). On this rollcall 334 Members have answered to their names, a quorum.

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

COINAGE ACT AMENDMENTS

Mr. PATMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 14127) to carry out the recommendations of the Joint Commission on the Coinage, and for other purposes, as amended.

The Clerk read as follows:

H.R. 14127

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

SECTION 1. Section 101 of the Coinage Act of 1965 (31 U.S.C. 391) is amended to read as follows:

"SEC. 101. The Secretary may coin and issue one dollar pieces, half dollars or 50-cent pieces, quarter dollars or 25-cent pieces, and dimes or 10-cent pieces in such quantities as he may determine to be necessary to meet national needs. Any coin minted under authority of this section shall be a clad coin the weight of whose cladding is not less than 30 per centum of the weight of

the entire coin, and which meets the following additional specifications:

"(1) The dollar shall have

"(A) a diameter of 1.500 inches;

"(B) a cladding of an alloy of 75 per centum copper and 25 per centum nickel; and

"(C) a core of copper such that the whole coin weighs 22.68 grams.

"(2) The half dollar shall have

"(A) a diameter of 1.205 inches;

"(B) a cladding of an alloy of 75 per centum copper and 25 per centum nickel; and

"(C) a core of copper such that the whole coin weighs 11.34 grams.

"(3) The quarter dollar shall have

"(A) a diameter of 0.955 inch;

"(B) a cladding of an alloy of 75 per centum copper and 25 per centum nickel; and

"(C) a core of copper such that the weight of the whole coin is 5.67 grams.

"(4) The dime shall have

"(A) a diameter of 0.705 inch;

"(B) a cladding of an alloy of 75 per centum copper and 25 per centum nickel; and

"(C) a core of copper such that the weight of the whole coin is 2.268 grams."

SEC. 2. Half dollars as authorized under section 101(a)(1) of the Coinage Act of 1965 as in effect prior to the enactment of this Act may, in the discretion of the Secretary of the Treasury, continue to be minted until January 1, 1971.

SEC. 3. (a) The Secretary of the Treasury is authorized to transfer, as an accountable advance and at their face value, the approximately three million silver dollars now held in the Treasury to the Administrator of General Services. The Administrator is authorized to offer these coins to the public in the manner recommended by the Joint Commission on the Coinage at its meeting on May 12, 1969. The Administrator shall repay the accountable advance in the amount of that face value out of the proceeds of and at the time of the public sale of the silver dollars. Any proceeds received as a result of the public sale in excess of the face value of these coins shall be covered into the Treasury as miscellaneous receipts.

(b) There are authorized to be appropriated, to remain available until expended, such amounts as may be necessary to carry out the purposes of this section.

SEC. 4. Section 4 of the Act of June 24, 1967 (Public Law 90-29; 31 U.S.C. 405a-1 note) is amended by adding at the end thereof the following new sentence: "Out of the proceeds of and at the time of any sale of silver transferred pursuant to this Act, the Treasury Department shall be paid $1.292929292 for each fine troy ounce."

SEC. 5. Section 3513 of the Revised Statutes (31 U.S.C. 316) is repealed.

The SPEAKER pro tempore. Is a second demanded?

Mr. WIDNALL. Mr. Speaker, I demand a second.

Mr. GROSS. Mr. Speaker, I am opposed to the bill and I demand a second.

The SPEAKER pro tempore. Is the gentleman from New Jersey opposed to the bill?

Mr. WIDNALL. Mr. Speaker, I am not opposed to the bill.

The SPEAKER pro tempore. By the rules of the House, the gentleman from Iowa, who is opposed to the bill, demands a second.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

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

There was no objection.

(Mr. PATMAN asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. PATMAN. Mr. Speaker, H.R. 14127 would give the Secretary of the Treasury authority to mint a nonsilver cupronickel half dollar and a nonsilver cupronickel dollar coin bearing the portrait of President Eisenhower. The bill would also direct the transfer of the last 2.9 million rare silver dollars now held in the Treasury to the GSA for sale to the public in a fair and equitable manner. The prompt enactment of this bill would both contribute to a more effective coinage system and make it possible for us to honor a great American.

The authority in the bill to mint a nonsilver half dollar, I believe, is long overdue. Despite the fact that nearly 1¼ billion half dollars containing silver have been minted since 1963, this coin is rarely seen in circulation. For the past several years American business has been deprived of a half dollar in adequate circulation for trading needs. As quickly as these coins have been minted they have simply disappeared into private hoards. It is time that the Congress authorize the production of a half dollar that will actually circulate to meet the needs of American business. The enactment of H.R. 14127 will accomplish this purpose.

H.R. 14127 also authorizes the Secretary of the Treasury to mint a cupronickel dollar coin bearing the portrait of President Eisenhower. I think this would be a fitting tribute to a great American. Now, there are those who assert that placing the portrait of President Eisenhower on a coin minted of silver would be an even greater tribute. I would first point out that the composition of the coin neither adds nor detracts from the status of other Presidents on our American coins. But apart from this there are solid reasons why it would be most unwise to use all of our remaining surplus silver for minting a single coin. Let me list a few reasons why I believe a cupronickel coin rather than one made of silver is in the public interest.

First, a nonsilver dollar coin would mean a far greater monetary return to the Federal Government than a silver coin. The Treasury has estimated that the total seigniorage in revenue under the provisions of H.R. 14127 in the first year after enactment could exceed $500 million. This income would reduce the Government's borrowing needs by an equivalent amount.

Moreover, to use our remaining surplus silver for coinage instead of sale through open competitive bidding would mean depriving private industry of about 100 million ounces of silver in 1970. If the Treasury's remaining surplus is used for coinage rather than sold under competitive bids, American industry will have to greatly step up its imports to fill this gap. The resulting adverse effects on the balance of payments next year could be as much as $150 million.

A third disadvantage for using our surplus silver for dollar coins would be the almost certain higher prices for major consumer products that would result. The halting of Treasury silver sales would probably mean a sharp rise in the silver price. This would mean higher costs to millions of consumers of film and electrical products which are the principal industrial uses of silver. It should be realized that the ultimate use of silver includes virtually the entire American public.

And finally I would point out that the provisions of H.R. 14127 have been fully endorsed by the Joint Commission on the Coinage, a nonpartisan body established by law to advise the President and the Congress on silver and coinage matters.

In summary, the enactment of H.R. 14127 is strongly in the public interest because it would give the economy the coins it needs, honor a great American, help our balance of payments, reduce the Government's borrowing needs and the public debt, and contribute to the fight against inflation.

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

Mr. PATMAN. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Speaker, I favor the bill as reported to the House, including the amendment offered by the gentlewoman from New Jersey, Congresswoman DWYER, in committee to direct that the $1 coin authorized for minting by this legislation bear the likeness of the late President Dwight D. Eisenhower. Mrs. DWYER was among the first, if not the first, to propose in legislative form that the nonsilver dollar coin proposed by the Joint Commission on the Coinage be officially designated by Congress as one honoring the late President and General of the Armies.

There is nothing in the bill as reported to which I object. I had intended offering an amendment in committee to provide better machinery for the distribution of proof sets by the Treasury, so that the individual hobbyists can have a more equal opportunity to obtain at least one of these sets each year rather than continue the system which seems to permit dealers an inside track to these much-desired numismatic specimens. My amendment could not be offered in the committee and there is no way it can be offered now under the parliamentary situation in effect on the House floor. But I think this situation must be taken up and reformed. So it is my intention to offer separate legislation on this point. If we are to continue to have proof sets as numismatic specimen coins, then it was my thought also that the Secretary of the Treasury be given some leeway in determining the metals or combination of metals to be used in the proof sets.

Under this bill, the proof sets will have to be made of exactly the same materials as the circulating coins, and they are not as attractive as they would be and should be, if they contained perhaps a thin coating of silver or other bright metal—perhaps columbium.

Mr. Speaker, I am deeply disturbed over one decision made by the Joint Commission of the Coinage, at the urging of Secretary of the Treasury Kennedy, which is not reflected in this bill. It has to do with the ban which had been in effect from enactment of the Coinage Act of 1965 until last May—the ban on the melting or export of silver coins.

Under the chairmanship of the previous Secretary of the Treasury, the Joint Commission on the Coinage last December voted not only to continue this ban

on melting or export of silver coins, but to make it permanent by law so that it would be unlawful, ever, to melt or export silver coins. The bill originally introduced to carry out the recommendations of the Joint Commission contained language to make the ban statutory.

But when the Commission reconvened in May under the chairmanship of the new Secretary of the Treasury, it reversed itself on this point. And that same day, I believe, Secretary Kennedy lifted the ban and industry was then allowed to melt down or export our silver coins.

To me, this was a grievous mistake—rewarding by a windfall the very people most responsible for causing the coin shortage in 1964 and thereafter—the coin speculators and hoarders who amassed tons of silver coins for the purpose of melting them down and recovering silver worth far more than the face value of the coins.

As long as the ban on melting and export stayed in effect, these hoarders were unable legally to cash in on their hoards of silver coins. Perhaps there were some violations, and perhaps it was hard to enforce the ban. But, on the same theory, are we now going to repeal the laws on narcotics?

In our hearings in the Banking and Currency Committee on the legislation now before the House, I was unable to get any convincing explanation from the Treasury as to why the melting ban was lifted or what prompted the Joint Commission to change its mind on this issue merely as the result of the substitution of one chairman for another.

I think it is disgraceful that the people who hoarded silver coins when they were needed in commerce—hoarded them by the ton—are now reaping this reward of being able to melt them down for their silver content. It is a windfall to those who acted against public policy.

Mr. PATMAN. Mr. Speaker, I reserve the remainder of my time.

Mr. GROSS. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. WIDNALL).

Mr. WIDNALL. Mr. Speaker, this bill came out of the committee with one negative vote. On the minority side we fully supported the bill, feeling it is very much a program which is urgent at the present time. It results from recommendations by the Joint Commission on the Coinage, which has been meeting for several years. It is an attempt to finally have our coinage set up in an orderly fashion to meet the trials of our times.

It is really urgent that in our future coinage we have the cupro-nickel half dollar and save the 40 percent silver that is going into the present coinage.

We should also begin the coining of a new silver dollar as is proposed in this bill, this being made out of the same kind of metallic content as other coins.

We can save for the people of this country almost $300 million a year just out of the seigniorage on these coins. This is something that will be most helpful at a time of financial crisis.

It also means if we do this we are less dependent upon imports of silver. Our own manufacturers of silver cannot keep up with the industrial demands here. If we do not do it that will be a further adverse impact on our balance of payments to the extent of several hundred million dollars a year.

I know the silver producers are anxious to see that we continue a 40-percent content in coining silver dollars and a full content of silver in the silver dollar. The market is such today that the silver producers of our country are going to be able to put every ounce of their product on the markets here in the United States at an excellent price.

They have certainly been doing well within the last couple of years, and there is no reason, with the tremendous demand for silver, why they should not continue to do so.

There is also contained in this bill a provision for the disposal of almost $3 million in old silver dollars by an orderly procedure that will be profitable to the Government.

Mr. Speaker, I urge enactment of the bill.

Mr. GROSS. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from New Jersey (Mrs. DWYER).

Mrs. DWYER. Mr. Speaker, I am deeply pleased that the House is moving so expeditiously in its consideration of H.R. 14127, the Coinage Act of 1969, and I urge our colleagues to join the Committee on Banking and Currency in giving this legislation, as amended by the committee, their wholehearted approval.

The reason for early action relates to the fact that the bill, in carrying out the recommendations of the Joint Commission on the Coinage, authorizes the Treasury to mint a new $1 coin.

Since the minting of a new coin, Mr. Speaker, presents a rare opportunity for the country to honor one of its most distinguished and beloved citizens, I introduced on May 26 a bill, H.R. 11626, to implement the commission's recommendations and, in addition, to specify that the new $1 piece shall bear the likeness of the late President of the United States, Dwight David Eisenhower.

During our committee's consideration of the proposed Coinage Act of 1969 last week, I offered this latter provision as an amendment to the committee bill and I was deeply gratified that the committee approved it.

On October 14, Mr. Speaker, the Nation will commemorate the birth of President Eisenhower, and a number of special events are being planned to honor this very great American on that day, including the issuance of a new commemorative postage stamp.

As President Nixon has pointed out, it would be most fitting if congressional action on the pending bill could be completed in time to be included in the events of that day.

In this regard, I believe it would be appropriate to recognize the special efforts which have been made by the distinguished chairman of the Banking and Currency Committee, Mr. PATMAN, and the distinguished ranking minority member, Mr. WIDNALL, to bring this bill to the floor. Without their exceptional cooperation, we could not hope to meet the timetable.

Mr. Speaker, I am confident that there is the widest possible agreement that President Eisenhower is most deserving of this special honor. Few Americans in the history of our country have earned the love and respect of their people as did our late President. His long lifetime was devoted almost in its entirety to the service of his country, and his influence for good was felt decisively at key periods of our history both in war and in peace.

A new $1 coin, therefore—for which there is a growing economic need—would be an especially fitting and timely memorial to this man who gave so much of himself to so many others. But such a coin would serve its purposes, both memorial and economic, only if it circulated and only if it was widely available in adequate quantities.

While I recognize and respect and, indeed, share the motives of those who contend that a silver-bearing coin would represent a more valuable tribute to President Eisenhower than the cupro-nickel coin authorized by the bill, I strongly suggest that a silver dollar would be self-defeating.

The evidence is clear that the Government does not possess adequate supplies of silver to meet the anticipated demand for an Eisenhower silver dollar. If such a coin were minted, therefore, it could be produced only in limited quantities and this supply could be expected to disappear from circulation almost immediately. The principal beneficiaries would be speculators. The Treasury's silver reserve would be depleted. And the price of silver would be increased.

An item which appeared last week in the financial pages of the New York Times described the situation quite candidly. I quote:

> Speculators have been hoping that Congress would vote to mint Eisenhower commemorative silver dollars, thus cutting down on the Government's reserves of silver and putting more pressure on prices.

I am sure, Mr. Speaker, that this House—and the people we represent—are serious about honoring President Eisenhower. The pending bill provides a most meaningful way of doing this, and I urge our colleagues to approve it.

Mr. PATMAN. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I would like at this time to make a few remarks on H.R. 14127. This is the bill that was introduced by the distinguished chairman of the Banking and Currency Committee, Mr. PATMAN, and by the distinguished ranking minority member of that committee, Mr. WIDNALL.

I had the pleasure of testifying in behalf of this bill before the Banking and Currency Committee on October 3. I am pleased that prompt action was taken on it and that we are considering it on the floor today.

It is also a pleasure to speak once again for this bill because I have been fighting for this measure for many, many years.

Section 2 of the bill would authorize the minting of a nonsilver half dollar and a nonsilver dollar. I have long advocated this. I would like at this time to explain why I support H.R. 14127.

On May 12 of this year, the Joint Commission on the Coinage held a very important meeting that was chaired by

the Secretary of the Treasury David Kennedy. As you know, this bipartisan Commission has the responsibility of giving advice on silver and coinage problems to the President, the Secretary of the Treasury, and the Congress.

I am currently a member of it and have been since its inception several years ago. As a result of this position, I have studied the problems of silver and coinage very closely.

At this meeting, the Joint Commission on the Coinage recommended, among other things, that silver be taken out of the half dollar and that it be replaced by a nonsilver half dollar and a nonsilver one dollar coin. As a result of this recommendation, the Treasury Department urged prompt enactment of legislation to that effect.

I might add at this point, Mr. Speaker, that these recommendations were not arrived at overnight. They were the result of more than 2 years work, during which time the silver situation was studied with a fine-tooth comb. Every aspect of the problem was looked into. No table was left unturned.

The result is the bill before us today—H.R. 14127. It has the support of the Joint Commission on the Coinage and the Treasury Department. It embodies recommendations which were reached, as I have said, after long and careful study. And, in view of the silver crisis we are facing, it represents the only sensible and realistic approach to the minting of our coinage.

I think that Secretary Kennedy's statement to the Joint Coinage Commission explains the problem very well. He said:

> The first recommendation, for the minting of a nonsilver dollar, is consistent with the conclusions reached by the Commission at its meeting last December. I think the convincing argument here is that despite the minting of some 760 million 40 percent silver half dollars over the past three years, very few of these coins are actually circulating. Even if we were to continue pouring all of our remaining 150 million ounces of surplus silver into the silver half dollar, it is extremely doubtful whether the coin would circulate in any quantity. Moreover, this use of or remaining silver would require a halting of surplus silver sales which would very probably drive the price up excessively and further stimulate the hoarding of these coins. In short, the 40 percent half dollar in our past experience is simply a losing proposition.

the Secretary of the Treasury. You can readily see that it applies to the use of silver in any coin.

That statement, I repeat, was made by

I might interject at this point, Mr. Speaker, something that was brought up last week at the banking and currency hearings. During my testimony, my distinguished colleague from Wisconsin (Mr. REUSS) asked me how much the Federal Government had lost by minting 40-percent silver half dollars rather than clad half dollars.

I think this is a very important thing to know, and I hope my colleagues will take careful note of it.

The fact is that since 1965, we have minted 790 million 40-percent half dollars. It costs 22 cents to mint this coin which means the Government comes out with a 28-cent profit on each one.

It only costs 3 cents to mint a clad coin, so we get a profit of 47 cents per coin.

This means that the Government would make 19 cents more per clad coin than it does on the 40-percent silver coin. Thus, we have lost over $150 million on the 790 million 40-percent silver half dollars minted since 1965. I repeat—over $150 million over a 4-year period.

In addition to that, this would have released enough silver to bring in a profit of $66 million to the Government. So we are talking about a total loss of some $215 million.

The point is—and I have said this over and over again both on and off the floor of the House—we are wasting our precious supplies of silver on a coin that does not even circulate, while our domestic industry desperately needs the metal.

I might also interject, Mr. Speaker, that on May 19 I introduced legislation in this area. My bill, H.R. 11404, provided for the minting of a nonsilver $1 coin bearing the likeness of our late President, Dwight David Eisenhower. This was 1 week after the Joint Coinage Commission meeting.

Several weeks later, my colleague from Idaho (Mr. MCCLURE) and 159 cosponsors, introduced legislation calling for an Eisenhower silver dollar. I opposed this measure then, and in a speech here on the floor on July 15, I explained why I did. I still oppose this measure, and for the same reasons. That is why I am speaking today in support of H.R. 14127.

As you will recall, it was Congress that originally authorized taking silver out of our currency. Under Public Law 89–81, which passed on July 23, 1965, silver was taken out of the dime and the quarter. Unfortunately, it was not taken completely out of the half dollar. The bill as finally enacted only reduced the silver content in the half dollar from 90 percent to 40 percent.

The reason for this action by Congress was clear, and I should know. I fought hard for it, including complete removal of silver from the half dollar, which we lost on. Congress recognized that silver was much too precious and its supplies much too limited to waste on currency.

The situation has not changed. In fact, if anything, it has gotten worse. Silver is even more precious and its supplies even more limited to waste on currency today.

A few figures should put what I am saying in the proper perspective.

For example, since 1964, 276 million ounces of silver have been used in the minting of more than 1 billion half dollars. This amount of silver alone would have been enough to fill the gap between domestic production and consumption for a period of more than 2½ years.

Or to put it another way, the United States used 60 percent more silver in minting the half dollar than the rest of the entire world consumed during 1968 for this purpose.

The fact that the coin would not circulate even at the annual production rate of 300 million coins should be proof that, so long as silver is used, it will not serve as a medium of exchange.

And the mint reduced the production of the 40-percent half dollar to 100 million a year last July. Even at this reduced rate—15 million ounces of silver per year—more silver is consumed in 1 year than is consumed by the domestic photographic industry in 4 months.

In addition, U.S. industry uses about four times the amount of silver produced in this country. Specifically, we produce about 38 million ounces annually and consume about 150 million ounces in the same period.

Thus, foreign silver must be purchased to fill the gap. At 1968–69 prices, this could mean a $155 to $256 million per year balance-of-payments deficit. You can well image the impact of this deficit upon an already unfavorable balance of payments.

Mr. Speaker, simply stated, a new silver coin would not serve the purpose for which it was intended. It just would not circulate. On the other hand, the clad coins called for by your bill would circulate and would work in our economy. But there are even more reasons that Congress should act favorably upon H.R. 14127.

For example, the Government would make more money on seigniorage by minting nonsilver coins. Seigniorage, as you know, is the difference between the face value and the intrinsic value of a coin. I have already shown how this would have worked out in the case of the half dollar. I would now like to clarify this point a little more because there may be some confusion over whether the nonsilver dollar is in fact more profitable than the silver dollar.

The proponents of a 40-percent silver dollar argue that its silver would be worth $3.16 an ounce. They arrive at this figure by saying that you would have to melt 3.16 dollars to get an ounce of silver because each coin would contain .316 ounces.

Now I have followed the silver situation a long time, and I have never computed the value of silver like this. For purposes of discussion, however, I will assume that we do in fact get $3.16 an ounce.

Thus, it is argued, more money can be made doing this.

This, however, is not the case because it ignores what it cost the Government to mint coins. For example, it would cost 48 cents to mint the 40-percent silver dollar. This means the Treasury would make 52 cents per coin or $52 million on 100 million coins.

On the other hand, it would cost 5 cents to mint a nonsilver clad dollar. This would give a seigniorage figure of 95 cents per coin or $95 million on 100 million coins. In addition to that, it would release silver for sale to industry. In fiscal 1968, the profit to the Government from the sale of 98 million ounces was $55 million.

This would give us a total profit of $150 million compared to only $52 million with a silver dollar. I think it is quite clear that the Federal Treasury comes out better with a nonsilver coin.

And, finally, we should not overlook the fact that there are only 100 million

ounces of silver left in the Treasury reserves.

On July 7, the Chicago Tribune editorialized about the Treasury recommendation embodied in H.R. 14127 as follows:

> Mr. Kennedy's plan is sensible and timely. * * * [it] would give us half dollars we can use, and the vending machines are starved for them. It might give us back the old cartwheel, * * * even minus its silver. It would increase the profit * * * which the mint makes on its coinage. And nobody can complain that he will be seriously hurt by the proposal * * *.

Even more interesting and somewhat ironical are the comments of the Denver Post. On May 15, the Post ran an editorial entitled "Wrong Time for Silver Oratory." Therein, they came out against the silver dollar because they felt it would not circulate. And I would remind you that Colorado is a great silver-mining State.

Before concluding, I think there is something else we should all keep in mind. The dollar coins in question would bear the likeness of our late President, Dwight David Eisenhower. I am sure that my colleagues would agree with me that this is a fitting tribute to one of our greatest leaders. It would indeed be unfortunate if we failed or even delayed to commemorate him in this manner.

In this regard, Mr. Speaker, I might mention the letter President Nixon sent to the distinguished chairman of the Banking and Currency Committee. In that letter, the President urged prompt congressional action on this bill. The late President's birthday would have been October 14 and President Nixon thought it would be fitting to have an Eisenhower dollar by that time.

I certainly support the President in his desire for prompt action on this bill.

Therefore, I would hope for and urge speedy action on H.R. 14127 not only because the silver situation is critical but also because it could provide an appropriate way to commemorate President Eisenhower.

Mr. Speaker, I hope that I have made my position and my support for H.R. 14127 clear. Thank you for the opportunity to make these remarks.

Mr. GROSS. Mr. Speaker, I yield 5 minutes to the gentleman from Idaho (Mr. McCLURE).

Mr. McCLURE. Mr. Speaker, I thank the gentleman from Iowa for yielding this time to me for this is the first opportunity we have had to present our case. The opportunity before the Banking and Currency Committee last week at the rather hastily called hearing upon this matter was limited in this manner.

Mr. Speaker, the proponents of the legislation that would require the removal of silver from all our coinage and bring about the final debasement of our currency were granted over 2½ hours of time during which to present their case, while the opponents of this legislation, those who would like to see some silver retained in our coinage system, had the aggregate of 7 minutes to present their case before the committee. When an attempt was made to offer amendments before the committee to insert some silver in the coins, they were ruled out of order. This is the kind of procedure that was carried on in that committee. Of course, that is not news to this Chamber and it is not news to this country to see this committee operate in that fashion. So, I do not think any of us are surprised. But we come before the House not under a procedure whereby we might rectify that situation and where we might present our case to this body and the American people and have this body work its will. But we come to the floor of the House for the consideration of this legislation under a suspension of the rules procedure which prohibits the offering of amendments.

Mr. Speaker, what kind of gag rule are we talking about? I think I heard cries last week during the debate on the military procurement bill coming from the other side of the aisle about the gag rule from some of our friends who I hope will join me in our efforts today. They felt as Representatives of the people of their districts that they were not permitted the opportunity to present their case and to offer amendments. I, therefore, appeal to them to support us today in asking that this bill be defeated so it will be sent to the Committee on Rules. We will have an opportunity then to get it before this body under a procedure whereby we can offer amendments and where we can debate the merits of the measure, instead of having this gag rule imposed upon us.

Now, Mr. Speaker, to the merits of the bill. There are some people who will say, "Well, Mr. McCLURE, is from Idaho and Idaho is a silver-producing State and therefore his interest is for this reason." Sure; I make no apology for the fact that men who work in those mines thousands of feet underground and where rock temperatures rise to 185 degrees and where you earn your money literally by the sweat of your brow and because silver prices have been kept low, their wages are much, much lower than other industrial workers in this country. I make no apology in standing before this body and saying that they are entitled to a better break than that. As everyone knows, we have been dumping Treasury silver in massive quantities thereby depressing the marketplace. A great many people have told us, "Well, we cannot afford not to mint a base-metal dollar. We make more money that way."

This is the same philosophical approach to the problem where you have a shortage of paper money. You just turn on the printing presses and turn out some dollar bills and make a big profit on that, too. So, if you believe in that philosophy, let us follow it right on down to the rest of our currency and solve all our budget problems. It is not that we do not have a special interest in the problem in our State, because indeed we do. The price of silver is going up. The fact has been alluded to that silver is in short supply.

There is no question but that silver is consumed in greater quantities than it is produced both domestically and internationally, but you do not close that supply-demand gap by dumping government silver on the market, and depressing the price.

The only ultimate solution to that is to get the price up to the point where silver producers will produce silver. If the price is allowed to meet the market, then we will have a greater production of silver.

If there is to be a reduction in the consumption of silver, why should it be the coinage of this country that is the first to reduce the amount of silver? What is the highest and best use? It has been said here today that silver is too precious to be used for coinage, but we are spending billions of dollars—and we authorized over $21 billion more in legislation last week—to defend this country in a military sense, so certainly we can afford to spend a few millions of dollars to defend the monetary system of this country. That is one of the basic issues.

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

Mr. McCLURE. I yield to the gentleman from Nevada.

Mr. BARING. Mr. Speaker, I thank the gentleman for yielding, and I want to associate myself with the remarks made by the gentleman from Idaho.

The bill as it is presented today is not a good bill, and we should have the right to bring it out under a rule where we can offer amendments and consider the bill as it should be.

Again I wish to associate myself with the remarks of the gentleman from Idaho.

The SPEAKER pro tempore. The time of the gentleman from Idaho has expired.

Mr. GROSS. Mr. Speaker, I yield 2 additional minutes to the gentleman from Idaho.

Mr. McCLURE. Mr. Speaker, I thank the gentleman for the additional time that he has yielded to me.

Mr. Speaker, I want to proceed with a consideration of some of the hearings held on this matter—and incidentally, reference has been made to the fact that there are 160 sponsors, Members of this body, sponsoring this legislation, and therefore they have had no opportunity to present their views before the Committee on Banking and Currency, or an opportunity to present their views before the House. I speak, I believe, on behalf of many of these Members.

Here is a communication from a gracious lady in Pennsylvania in support of my bill which would call for the minting of an Eisenhower silver dollar:

> GETTYSBURG, PA.,
> *July 30, 1969.*
>
> Hon. JAMES A. McCLURE,
> *House of Representatives,*
> *Washington, D.C.*
>
> DEAR CONGRESSMAN McCLURE: Thank you for your letter and the copies of the bills introduced on the minting of a silver dollar bearing the likeness of my husband.
>
> I am particularly pleased that the members of Congress chose this way of commemorating my husband, as I recall he often used silver dollars as a little momento to give to children and young people who visited his office after he left the Presidency. He made a special effort to secure some minted in the year of his birth, and I still have some that he kept in his desk drawer.
>
> With appreciation and best wishes,
> MAMIE DOUD EISENHOWER.

I think if we are going to honor the memory of this great American and this great President it ought to be with a

coin of real value. I do not believe we want any pewter coins.

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

Mr. McCLURE. The gentleman has control of the time, and I have not sufficient time to yield to the gentleman, for which I am very sorry.

Mr. Speaker, I would also like to read to the Members a letter I received from Senator MIKE MANSFIELD, the sponsor of a similar bill in the Senate, a bill which would call for the minting of a silver Eisenhower dollar.

He says:

DEAR JIM: I am pleased to know that you are appearing before the House Committee on Banking and Currency this morning on behalf of your bill providing for the minting of a new Eisenhower silver dollar.

Your proposal is a companion to the Dominick legislation here in the Senate. I wish to offer my endorsement of this plan but, because of a very heavy schedule here in the Senate, it isn't possible to come over to the House side for this hearing. I would, however, consider it a personal favor if you would present the attached letter to the Chairman when you appear during the hearings.

With best personal wishes, I am

Sincerely yours,

MIKE MANSFIELD.

Mr. Speaker, I would also like to call attention to the separate views of the gentleman from Mississippi (Mr. GRIFFIN) in the report, in which it quotes from a letter addressed to the committee from Senator MANSFIELD, which letter I insert in the RECORD at this point. Also, I insert the text of my remarks prepared for presentation before the Banking and Currency Committee:

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, D.C., October 2, 1969.

Hon. WRIGHT PATMAN,
Chairman, Committee on Banking and Currency, House of Representatives.

DEAR MR. CHAIRMAN: The United States coinage system has undergone a certain amount of change in recent years in which we have permitted an increased use of alloy metals.

During these years, perhaps the most unfortunate situation has been the disappearance of the silver dollar. The silver dollar has a special meaning to the people of Montana and the West. It was a very popular medium of exchange. Unfortunately, with the reduced minting of the silver dollar coin, dealers and promoters have been hoarding and charging exhorbitant prices for the cartwheels. I think it is time that the U.S. Treasury issued a silver dollar. I believe it would be a very popular move. I am pleased that your committee, the House Committee on Banking and Currency has scheduled these hearings on coinage recommendations. I am a cosponsor of the Dominick proposal in the Senate, which would provide for the minting of the new Eisenhower silver dollar. I am certain that we all agree that this would be an appropriate tribute to our late President, who was held in such high regard by the people of our Nation.

While I have no quarrel as to the design of this new coin, I think it is very important that it contain at least a reasonably high silver content of appropoximately forty per cent. I recognize that the old silver dollar cannot be reproduced in large quantities, but I would not like to see a complete abandonment of the silver content. In the eyes of my constituents nothing could be worse than a large round coin made up of a variety of alloys. People of the West do not want a phony dollar. They want one with a proper amount of silver.

My schedule prevents my making a personal appearance before your Committee, but I did want you to know that the people of Montana are extremely interested in this legislation, and I strongly recommend that the Treasury Department be given the authority to mint large quantities of silver dollars. To do otherwise would merely contribute to the hoarding of coins.

Thank you for this opportunity to express my views.

With best personal wishes, I am

Sincerely,

MIKE MANSFIELD.

TESTIMONY OF HON. JAMES A. MCCLURE OF IDAHO, BEFORE THE HOUSE COMMITTEE ON BANKING AND CURRENCY, OCTOBER 2, 1969

Mr. Chairman, I am deeply honored by the opportunity to appear before your committee today and to offer my views on the coinage matters before you. As Mr. Eggers commented Wednesday, regardless of the decisions you arrive at, we are finally resolving once and for all, for good or for bad, the disposition of problems that have plagued us for many years.

I suppose that some will dismiss my testimony as biased in favor of silver producers merely because I am from Idaho. Well, Mr. Chairman, it is true that once the Government is out of the silver business, prices will go up, thereby benefiting the miners of Northern Idaho. We are not afraid of profits out there and will gladly accept any benefit which enhances the area economically and brings it up on a par with the other states. Regardless of what this Committee does, silver prices, inevitably, will go up.

However, our motives are not purely selfish ones. We are not so provincial that we put consideration of our mines ahead of the needs of silver users—one quite obviously depends on the other. Nor are we so greedy that we would sacrifice the well-being of the American economy for an extra dollar in our billfolds—what affects the nation as a whole will most certainly affect Idaho miners as well.

In any event, the transfer from a government-controlled silver market to one of supply-and-demand is at hand. It is the obligation of Congress to make certain that the shift is as painless as possible for all parties involved.

For me there are several compelling reasons why we should authorize a coin dollar containing metal of intrinsic value.

The first is my personal belief that our monetary system must bear some relationship to precious metal backing. Admittedly, this is not a view shared by many of you on this panel. Yet I must mention it, if only to explain why I feel so deeply about it. Mr. Eggers said the function of the Treasury is to provide coins for the market place. So long as the cost of producing those coins is less than the value of the coins themselves, the taxpayer is not being hurt. A 40% silver dollar monetizes at $3.16 per ounce. For the 50-cent piece, the figure is $3.38 an ounce. Is anybody in the Treasury willing to tell us that in the life of these coins the price will reach *those* levels?

We can—and should—buy silver at any price up to $3.16 for coinage purposes. The only possible argument against this is that you can make more money by turning out cheap coins. But this is precisely the same argument for printing press currency.

Another reason why I support the silver dollar is my belief that our country should have a prestige coin. I think most Americans agree that Dwight D. Eisenhower's record of unmatched service to his country deserves to be commemorated. And it is only natural that the new dollar serve as the vehicle for this tribute. Likewise, it follows that the coin honoring our late President should be as prestigious as the man himself. It should be of the highest quality—just as Congress in its wisdom chose a prestige coin to remember John F. Kennedy.

Mr. Eisenhower often said that he wanted to be remembered primarily for his efforts in behalf of world peace. So, I further suggest that the design for the obverse side be taken from the design authorized in 1921 in commemoration of peace, since known as the Peace Dollar.

And, as Secretary Fowler said in testimony before this Committee in 1965, there is a need for "maintaining at least one prestige coin as a part of our tradition."

But if you cannot accept the argument that our monetary system should relate to precious metal—and if you cannot accept the argument that we should mint a prestige coin, there is still a third reason that is the most persuasive of all. It concerns that much-abused word "seigniorage." If you can ignore the rest of my arguments, you simply cannot ignore the fact that you get a better return to the taxpayer by using the silver in coins.

The sale of our Treasury's silver asset in the best possible way should be of prime concern today. At the present rate of $1.88 per ounce, the profit to the government—if that rate were maintained—would be only $46 million if the remaining 100 million ounces were disposed of through the G.S.A. sales.

Used to mint the Eisenhower silver dollar, the profit would increase an *additional* $128 million. To those who claim that this is not a profit, I can only ask why it is that other governments—Mexico's for instance—make a profit from buying silver at market prices and selling it for $4 per ounce as they did last year?

The Treasury said Wednesday that more money is derived by minting cupro-nickel dollars. But, the profits obtained by using silver in coins is *additional* because it supplies an *additional* demand. And what is more, as the Treasury admitted Wednesday, the use of silver in coins is anti-inflationary. Since they will not circulate—at least to some extent—the silver dollar not only meets an additional demand, it also supplies an additional benefit as well. Don't be afraid of profits and don't be afraid of higher silver prices, for they are not in themselves inflationary. Silver prices, unhampered by government regulation will follow tried and tested economic laws and will bring supply and demand into balance. Treasury's selling silver into the market can only delay and obstruct a balance between supply and demand.

For those who say our economy is so strong that the monetary system need bear no relationship to gold and silver, what better way to show its strength than by minting our largest coin in such a fashion as to illustrate our abundance? To run to a cupro-nickel coin is a confession of weakness used by other nations only in a time of economic distress.

The bills (H.R. 12766 & 13214 & H.R. 12744–12749) to mint a *silver* dollar were cosponsored by 159 members of the House. Many other congressmen declined to ad their names for one reason or another, but nevertheless called to give me their personal assurance that the proposal had their support—a sufficient number, I might add, that the total in favor constitutes over half of this body. In the Senate, Senator Dominick's bill has a host of cosponsors which includes the majority leader, Senator Mansfield, and the late Senate minority leader, Senator Dirksen. In view of this I am at a loss to explain why some of those who oppose my bill insist that the cosponsors have been lured into adding their names. Are we to believe that so many responsible Members of Congress add their names, willy-nilly, to a bill without considering its consequences? Will not such charges come back to haunt them in the next election?

The truth is that the facts surrounding Treasury silver are so beclouded that it has grown increasingly difficult to separate fact from fiction. I would like to set the record straight at this time as best I can in this limited time.

It is fiction to say that there is a shortage of silver at the present time. The facts were well-stated by Handy and Harman in their year-end review last December. They said: "We have continually emphasized that there will be no shortage of silver for future industrial needs, and this has been confirmed by events."

Paradoxically, it is also fiction to say that today's surplus will continue indefinitely. The fact is that until the silver market is released from the artificial depression of government control, the mining industry will not find exploration for mines economically feasible.

It is fiction to say that the legislation I propose should not be adopted because it effects the balance of payments situation through prospective imports of silver. The fact is that the cupro-nickel dollar will have the same kind of results. In 1967, we imported 143,000 short tons of nickel and exported 31,537 tons. Thus, the net import figure for that year was 111,463 tons. In 1968, imports of copper exceeded exports by 315,564 short tons.

It is fiction to say that a prestige coin will not circulate. Under the proper circumstances and with sufficient support, it will. The Kennedy half was not given a fair chance, because it was not minted in sufficient numbers. The Treasury minted 300 million annually for two years and just as these coins were beginning to circulate, the authorization was reduced to 100 million to perpetuate the shortage. Mr. Tate admitted as much Wednesday when he said it would take 300 million annually to circulate the cupro-nickel halves they now propose. Furthermore, only 800 million 40% silver half dollars have been minted to replace the 1.2 billion 90% halves minted previously—and at a time of increasing demands in the marketplace.

It is fiction to tell us that the 100,000,000 limitation on half dollars was imposed by the Coinage Act of 1965. That decision is made annually by the Treasury Appropriations Subcommittee, on which the gentleman from Massachusetts (Mr. CONTE) is the ranking Republican.

It is likewise pure fiction for the Treasury to say that a cupro-nickel *half* is expected to circulate, while a cupro-nickel *dollar* will not. The fact is, as any reliable coin collector will tell you, any change in either the composition or facing of a coin will not circulate when issued in limited quantities. It makes no difference whether the coin is made of silver or glass beads, it will not circulate at first if only a limited number are minted.

It is fiction to say that all members of the Coinage Commission endorsed unanimously the proposals before you, as you were erroneously told Wednesday. I am now a member of the Commission and attended that meeting in May. Most assuredly the recommendations on the half and the dollar were *not* unanimous. I might add at this point that I *have*, however, supported the agreement on disposition of the Carson City dollars and have introduced legislation to implement the plan. (H.R. 13451)

It is also fiction to say that the Coinage Commission insisted on a cupro-nickel dollar. The fact is that no recommendation whatsoever was made as to the composition of the proposed dollar, that decision being left to Congress.

As you can see, the inescapable conclusion is that the Treasury came before this Committee to promote a point of view—not to respond to questions and supply facts upon which *you* could decide.

Mr. St Germain asked about a shortage of silver. Well, the silver users themselves have said repeatedly there is no shortage of silver.

Mr. Reuss elicited from the Treasury representatives that 300 million halves will need to be minted annually to meet the demands of the marketplace, and yet Treasury tried to pretend that the Kennedy half would not circulate even though a supposedly sufficient number had been coined. The implication was left that it was because it contains silver and the truth is that the coin was sabotaged.

Treasury would have us believe that turnout of 100 million coin dollars of relatively little value brings in a huge profit. Well, the homebuilders in this country are in Washington this week asking for $10 billion. Perhaps the solution to our problems is to just turn on the printing presses and turn out enough money that every proposal before Congress can be funded and still keep the budget in balance. Why is it that we will defend the peace with silver in the stockpile but we will not defend our monetary system with it?

Mr. Eggers said Wednesday that the demand for a coin dollar lies primarily in the West. I wish to assure him that in the West the demand is for a *silver* dollar.

The truth is that throughout the world people want prestige coins. How else can the Treasury explain the popularity of the Kennedy half? How else can you explain the fact that in the past decade more than 370 million such coins have been issued by 47 different countries. The actual figures are not available in all cases, so the total figure is considerably higher, and I ask that a table of these coins be printed at the conclusion of my testimony. The tables show that throughout the free world there is no more reluctance to issue a commemorative coin than there is to issue a commemorative stamp. Why should we be any different?

Since introducing my bills to mint an Eisenhower silver dollar, I have had countless letters from people in all walks of life and in every section of the country. All favor the proposal. Perhaps none of these letters illustrates this feeling more than one particular note which came from a gracious lady in Pennsylvania. I would like to share it with you. It reads:

"Thank you for your letter and the copies of the bills introduced on the minting of a silver dollar bearing the likeness of my husband.

"I am particularly pleased that the members of Congress chose this way of commemorating my husband, as I recall he often used silver dollars as a little memento to give to children and young people who visited his office after he left the Presidency. He made a special effort to secure some minted in the year of his birth, and I still have some that he kept in his desk drawer."

That letter is signed, of course, Mamie Doud Eisenhower. It seems that even the man we propose to honor recognized the silver dollar as a symbol of the economic strength of this nation. We cannot escape the fact that the overwhelming majority everywhere feel the same as Mrs. Eisenhower.

If, in the judgment of this committee, it makes more sense to mint 300 million in one year rather than spreading it out over three years, that is acceptable to me. We cannot lose by placing silver in our coins. What the Treasury gains, the people gain. The people will buy the silver dollar gladly and pay $3.16 an ounce for it. We know that the Eisenhower silver dollar will be a keepsake because it is a quality coin. We have the silver and I can think of no finer use for the benefit of more people than in the dollar.

I urge the Committee to retain the silver in our coinage and to mint an Eisenhower Silver Dollar.

The SPEAKER pro tempore. The time of the gentleman from Idaho has again expired.

The Chair recognizes the gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Speaker, has the gentleman from Iowa finished? I just have one more speaker.

Mr. GROSS. Go right ahead. Under the suspension of the rules the rotation is not required. The rules do not provide for it. Go right ahead.

Mr. PATMAN. I will yield 3 minutes to the gentleman from Connecticut (Mr. GIAIMO).

Prior to doing so, Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman from Texas has consumed 9 minutes, and the gentleman from Iowa has consumed 12 minutes.

The gentleman from Connecticut (Mr. GIAIMO) is recognized for 3 minutes.

Mr. GIAIMO. Mr. Speaker, I rise in support of this legislation.

As a member of the Joint Commission on the Coinage, I have attended meetings for 2 years on this matter trying to straighten out a great many problems that have to do with our coinage. I think it is eminently clear to almost everyone that we must get silver out of our coins. We made a start in this respect, several years ago in the House, when we reduced the silver content of the Kennedy half dollar from 90 percent to 40 percent. I think we have to go the balance of the way at this time and get all of the silver out of these coins. I think it is a good idea to have the nonsilver dollar in circulation with the likeness of former President Eisenhower on this coin.

I do not think it is a lack of respect to have a nonsilver coin honoring one of our former Presidents. The fact of the matter is, with respect to one of our greatest Presidents, we have Abraham Lincoln on the penny. The penny is not an intrinsically valuable coin, but it will show no lessening of respect for the former President because of the fact that they will be on nonprecious metals.

Silver is in very great demand and the demands are increasing. We do not produce enough silver in this country for all of our silver needs. We have to go out and purchase it. The fact that we purchase it offshore means it has an effect on our balance of payments.

The fact that we would be converting all of our coins to a nonsilver coinage system would mean also that the Government would benefit because of the rules of the seigniorage.

It has been said by the gentleman from Idaho who spoke just a few moments ago that the price of silver was depressed and that, therefore, the people mining silver were not able to obtain adequate compensation for the very difficult and arduous work which they perform. I do not question that their income undoubtedly is not what it should be. But the fact is that the Government has not depressed the price of silver.

When we stopped pegging the price at which they sold silver at $1.29, silver found its own value in the world market and the U.S. market and it went up from $1.29 to $2 an ounce. This was the beginning of the effort of the U.S. Government to get out of the silver business.

I recall just a few years ago when the Treasury had approximately 1 billion ounces of silver on hand, if my figures

are correct—and we now are down to approximately 100 million ounces instead of the 1 billion ounces. So we are already late in getting silver out of our coins.

I think this legislation is necessary, and it should be passed.

Mr. GROSS. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, make no mistake, I say to the Members of the House, this bill, if approved, will complete the debasement—the debasement of the currency of this Nation. And it will be accomplishment here today under the virtual gag procedure of suspension of the rules.

The first real debasement came 2 or 3 years ago when quarters and dimes were stripped of silver. In that same fiscal year this Government sold 44 million ounces of silver to foreign countries, yet there was not enough silver, according to the gentleman from Texas, to continue to put any amount of it into the currency of this country. Yes, this will complete the debasement and the debauchery of the currency of this country, if we adopt this bill here today.

I repeat that it is shameful to do this under suspendion of the rules, where no amendments can be offered and where there is only 20 minutes of debate for and against.

Moreover, Mr. Speaker, the report on this bill was filed on Saturday night and therefore not available to the Members until this morning. I urge that the House turn this bill down and at least compel the Committee on Banking and Currency to get a rule and bring it in so we may have a full debate on this subject and the opportunity to offer amendments.

Members should understand that if legislation is approved there will be no intrinsic value left in the coins of common usage in our monetary system, and this probably for the first time in the history of the Republic. Only a few days ago, this Government officially joined with the international bankers in issuing "paper gold" because the mindless spendthrifts who have managed our monetary affairs have seen fit to dissipate and toss to the four winds our once great stock of gold metal.

What next will they debauch?

Mr. GROSS. Mr. Speaker, I yield 1 minute to the gentleman from Missouri (Mr. RANDALL).

Mr. RANDALL. Mr. Speaker, I rise in opposition to H.R. 14127 which, in my opinion, if enacted would just about complete the debasement of our coinage.

The recommendations of the Joint Commission on the Coinage are well meaning and undoubtedly were made with good intentions. Even if some of their recommendations are meritorious, the manner in which H.R. 14127 is brought before this House is, as one Member described it, a shameful thing to do. This matter should not be considered under suspension of the rules. We heard a lot last week about a gag rule when opponents of the military procurement bill thought they were not given enough time to talk. If conditions against which they complain constituted gag rule, then the situation today is much worse. Today each side of the issue has only 20 minutes. Worse still there is no opportunity to offer an amendment under suspension of the rules.

Mr. Speaker, before we vote on this measure, all Members should read the separate views of our colleague, the gentleman from Mississippi (Mr. GRIFFIN). This distinguished Member does a service when he recalls that the markup session of their bill lasted less than 10 minutes.

The gentleman from Mississippi goes on to remind us that 150 Members of the House introduced the bill to authorize coinage of a prestige dollar bearing the likeness of David Dwight Eisenhower to contain at least 40-percent silver. This idea had been endorsed by Mrs. Eisenhower, who approved the idea of a commemorative silver dollar in memory of her late husband.

All of us were delighted to see the issuance of the Kennedy half dollar. It is now the only silver coin being minted. We did appropriate honor to that great President, John F. Kennedy. Why should we differentiate now? Why should we downgrade another great American by minting a memorial coin made of cupronickel? If this is not an outright insult to that distinguished American who was a great general and a great President, then it is certainly a kind of disrespect. It should not be done.

The senior Senator from Montana has referred to these cupro-nickel dollars as phony dollars. Out in the congressional district it is my privilege to represent I have heard such coinage called fake coins. Regardless of how we describe this coinage, the life and service of a great general and a great President deserves commendation by the issuance of a silver dollar and not a nickel dollar.

Under the procedure we are following today to consider this bill under the suspension of the rules I repeat, there is no opportunity to amend. This is a sneaky thing to do. This measure providing for further debasement of our country should at least exempt the memorial to a beloved President. The record will show there was no one appearing before the committee who indicated there was a current shortage of silver as a possible valid reason for further production of in my mind but that people want coins with a precious metal backing. That should be proved by the fact that the Kennedy half dollar, being the only silver coin now minted, would be in circulation if it were not greatly preferred to the coins without silver. The Kennedy half dollars are being hoarded. On the other hand if we continue to mint Kennedy half dollars and produce Eisenhower dollars with a silver content, such a course would reduce the special value of these coins and thereby cause them to be placed in circulation.

I have never been entirely certain of the content of these nonsilver coins. They have been called sandwich coins. They are sometimes called cupro coins. I suspect that, if the truth were known, they are made of scrap metal. It is almost unbleievable that we would issue a dollar of scrap metal to honor a former President. If we pass H.R. 14121, we do no favor to the memory of Mr. Eisenhower. By the issuance of one of these kinds of coin with no intrinsic value, we are cheapening the commemorative dollar intended to honor a great hero. For a man of the stature of Mr. Eisenhower, we should authorize the issuance of a prestige dollar—not a phony dollar.

Mr. PATMAN. Mr. Speaker, I yield myself 2 minutes.

In regard to the 50 cent piece commemorating President John F. Kennedy containing silver and the proposed dollar to honor President Eisenhower not having silver, may I suggest that this bill takes the silver out of the Kennedy coin so that it will be comparable, so far as that is concerned.

The gentleman from Idaho made an argument in favor of using our remaining silver to put in our coin. He also made an argument that the price of silver is bound to go up. We all know that. If we were to follow his advice and put our remaining silver, which is 200 million ounces, into this silver dollar, of course, there is nothing to keep the price from going out of the roof immediately. That is what would happen if we should take his advice. His advice was put it in the silver coin. I think this proposal is in the public interest. I believe President Eisenhower, if he were living, would agree to this. The former great president, Dwight D. Eisenhower, would agree that the public interest should come first.

If we were to put all our silver in the dollar, of course, there would be an immediate scarcity of silver. That is what Mr. MCCLURE said. That would make the price go up quickly. I do not believe he could follow that line of argument and at the same time be in favor of the public interest instead of private interest.

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

Mr. PATMAN. I yield briefly to the gentleman from Idaho.

Mr. MCCLURE. I thank the gentleman for yielding. Has anyone, anywhere, at any time predicted that the price of silver would exceed $3 an ounce at the outside?

Mr. PATMAN. I am not talking about the amount. The gentleman knows all about that. I am taking his word for it. He says the price of silver is bound to go up. I agree. If it is bound to go up, and you put all the Government silver in one coin, the price would shoot up quickly.

Mr. PATMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. WILLIAMS).

Mr. WILLIAMS. Mr. Speaker, I do want to state that I completely understand the position of the gentleman from Idaho (Mr. MCCLURE). I also want to call attention to extenuating circumstances which occurred last week which prevented the Banking and Currency Committee from hearing more testimony on the part of the producers of silver. Those extenuating circumstances were that the House convened at 10 o'clock on Thursday morning last week, at which time the Banking and Currency Committee was supposed to be meeting, and that meeting had to be canceled. The House then came in at 11 o'clock Friday morning of last week, so we had to terminate our meeting on Friday of

last week at 11 a.m., and the committee meeting had started at 10 a.m.

However, before I voted for this bill out of committee, I did determine that even though the Government goes out of the silver business and stops putting silver into coins, the demand for silver will still exceed the supply of silver in this country.

I cannot quite understand how, any time supply does not meet the demand, we can have a decrease in price. If any time in the future it can be shown that the demand for silver in this country does not exceed the supply, then I am going to be happy to join with the gentleman from Idaho in putting the silver back into our coins.

Mr. GROSS. Mr. Speaker, I yield 1 minute to the gentleman from Idaho (Mr. McCLURE).

Mr. McCLURE. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the allegation has been made that there is an adverse impact on the balance of payments because if we use more silver, we will have to import more silver, and the alternative for that is to use a nickel and copper alloy to provide coinage.

Mr. Speaker, I remind Members of the House that nickel and copper are both in short supply, and we have to import both. We cannot shift the demand from one metal to the others without going overseas for our supplies.

Mr. Speaker, I would like to comment on the gentleman's remark that we have not depressed the price of silver. We consume in this country less than 160,000,000 ounces a year. Normally over the past few years it has been in that range. In the past year alone the Government dumped 178,000,000 ounces on the market.

We cannot dump that much silver, in the face of 160,000,000 ounces, the normal demand, without doing something to the price. That is just not possible. And it is not just the producers who lose. The citizens of this country who own the silver that is being dumped are losing. They have lost hundreds of millions of dollars already and stand to lose $128 million more—at current prices—under this insane policy.

Mr. GROSS. Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. FOLEY).

Mr. FOLEY. Mr. Speaker, I join with my friend, the gentleman from Idaho (Mr. McCLURE), in urging Members of the House on both sides of the aisle to vote down this bill. One hundred and sixty Members of the House joined in a bill to authorize a 40-percent silver coin honoring the late President Eisenhower. The committee has chosen to bring out a bill for a nonsilver coin under conditions of suspension of rules, which does not permit amendments and does not permit full consideration of this legislation.

Mr. Speaker, this is a controversial matter. I will not belabor the arguments made by both sides. But we do point out that this matter should be handled under a rule with an opportunity for debate and with opportunity for both sides to offer amendments. One hundred and sixty Members are at least in partial opposition, and I will not agree to a procedure to bring out this legislation under a suspension of the rules without giving them an opportunity to present their views.

Mr. GROSS. Mr. Speaker, I yield 1 minute to the gentleman from Alaska (Mr. POLLOCK).

Mr. POLLOCK. Mr. Speaker, I ask the gentleman from Idaho (Mr. McCLURE) a question concerning the profits of the Government from the sale of the Treasury silver if this coinage does not contain the silver: What is involved there?

Mr. McCLURE. Mr. Speaker, if the gentleman will yield, I thank the gentleman for asking the question. I think the point needs to be clarified that by putting the silver we now have in the Treasury into coins, we could get a minimum of $3.16 an ounce for the silver if we put it into the dollar, and $3.38 an ounce for it if we put it into the halves. We are now selling it at $1.88 an ounce or less. So every time an ounce of silver is sold, the taxpayers are losing, and they can only gain by putting the silver into the coinage. At $1.88 per ounce the profit to the Government and the taxpayer is only $46 million on the remaining silver. We would make an additional $128 million out of the remaining silver if we put it into the coinage. We cannot lose by placing silver in our coins. What the Treasury gains, the people gain.

Mr. PATMAN. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, in the hearings we gave careful consideration to keeping the public interest first. We could not justify doing something which would make it look as if we were making a deal to help any one group. The bill is not designed as a vehicle to help any private interest, silver dealers or otherwise.

If we were to have the silver in a dollar to commemorate the memory of any person, it would certainly take all the available silver we have. It is just an unrealistic approach. So in order to represent the public interest, we have to take the position we have in this bill.

The chairman of the Committee on Banking and Currency received a letter from President Nixon. A similar letter for the same purpose was written to the Speaker of the House (Mr. McCORMACK). I should like to read this letter. It says:

I learned that you have scheduled hearings for October 1 and 2 on H.R. 13252, your bill to carry out the recommendations of the Joint Commission on the Coinage. I want to express my appreciation to you for initiating this action.

Apart from the general merits of the bill, one section in which I have a particular interest would authorize the Treasury to coin and issue cupro-nickel one dollar coins. As you know, if this authority is granted, it is our intention that the new coin bear a portrait of President Dwight David Eisenhower. The birthdate of President Eisenhower is October 14, and various events are being planned to honor this very great American. I think it would be most fitting if congressional action could be completed in time to include an announcement of the new coin in the events of that day.

I am aware of the difficulty in completing congressional action on H.R. 13252 in so short a time, but I would very much appreciate whatever you can do to expedite matters.

Sincerely,

R.N.

Therefore, the President is in favor of this bill. The administration is. The committee voted unanimously, minus one vote, after hearing arguments for and against, for the bill.

It occurs to me it certainly has pretty good support. I hope the Members of the House will unanimously pass the bill.

Mr. GROSS. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, as others have said, it will be doing the memory of former President Eisenhower no credit to pass a bill to mint a dollar, perhaps made of scrap metal.

This is what is here proposed.

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

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

Mr. PATMAN. Do you not think your statement could be construed as a reflection upon the President of the United States? He recommends passage.

Mr. GROSS. He made no recommendation——

Mr. PATMAN. Yes; he did.

Mr. GROSS (continuing). That the coin should not be minted out of silver, as far as I know.

If it is a reflection upon him, it is only a reflection born out of utter disagreement with him in this respect. It is incredible that the House would authorize minting a so-called dollar made perhaps of scrap metal to honor a President of the United States.

Mr. PATMAN. Mr. Speaker, I yield myself my remaining minute.

The gentlemen who appeared for the administration, for President Nixon and for Secretary Kennedy, said they did not want any silver in any coin, the Eisenhower coin or any other coin. They wanted to discontinue entirely the use of silver.

This bill will discontinue entirely the use of silver.

That was speaking for Mr. Nixon and speaking for the Secretary of the Treasury. Therefore, any opposition to the bill would be opposition to the President, of course, because he wants it passed just exactly like it is.

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

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

Mr. GROSS. Do you do everything the President wants you to do? In this case I say the President is wrong.

Mr. PATMAN. That is between you and the President.

Mr. GROSS. Do you do everything the President asks you to do?

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

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

Mr. CONTE. We are not trying to debase the coin. We are taking the silver out of the dollar.

Mr. OLSEN. Mr. Speaker, on several occasions I have taken the floor of this Chamber to discuss not only the dwindling supply of silver in this country, but

the disappearing silver-mining industry. This situation has been contributed to by the Department of the Treasury which has espoused a policy of dumping our silver reserves on the market at cheap prices.

For a number of years I have strongly supported every effort to resume the production of silver dollars and to continue production of the Kennedy silver half dollar, but I believe we in the Congress should insist that the content of these coins be at least 40 percent silver. Some argue that we do not have enough silver to provide for minting purposes.

Today, because of the dumping policy of the Treasury Department, we probably only have enough silver on hand to sustain the use of this metal in coins for about a year. However, I feel certain that we would cause a resurgence of silver mining in this country if we voted to use silver in the minting of our coins once again. Such a resurgence is necessary if the United States is to have a continuing supply of silver for industry and national defense.

Mr. Speaker, the price of silver has risen some, but the dumping of our silver reserves has weakened that rise in the price of silver and has also forced many mining concerns to abandon important silver mining operations throughout the West. As a result, the mines themselves have deteriorated badly. I submit it is in the best interest of this Nation to provide our mining industry with the incentive and encouragement it needs to get these mines back into operation.

I believe we will authorize the minting of dollar and 50-cent coins, and I am hopeful the Members of this body will demonstrate their vision by insisting that these coins be at least 40 percent silver.

Mr. POLLOCK. Mr. Speaker, I rise in opposition to passage of H.R. 14127 under suspension of the rules. There is no man in Congress that wants an Eisenhower dollar coin more than I. Yet, I feel compelled to vote in the negative, as I will, because at some juncture the chairman of the House Committee on Banking and Currency must be brought to realize that it is imperative in the legislative process that views opposing those of the chairman must be voiced and deliberated so that the general will of the people may be honored and respected. The bill was brought to the floor under suspension of the rules. Therefore, no amendments can be made to the bill regardless of the merits. This is unfortunate.

If the bill is not agreed to by two-thirds of this body under suspension of the rules, and I venture to predict that it will not, then I hope the measure can be given an open rule and come to the floor under a procedure which allows for amendment.

I doubt if the will of this body is for creation of an Eisenhower silver dollar or simply an Eisenhower dollar coin of other minerals, but this body should have an opportunity to work its will under procedures which will enable proponents to offer appropriate amendments.

I, for one, want an Eisenhower dollar whether it contains silver or not, but there are compelling arguments in support of the silver coinage. It is my personal conviction that our monetary system should bear some relationship to precious metal backing. In addition, it should be pointed out that the U.S. Government and the taxpayer actually get a better return if silver is used in the coins. At the present rate $1.88 per ounce, the profit to the Government from sale of our Treasury's silver asset through the weekly GSA sales would amount to only $46 million, however, if 40 percent silver were used to mint the Eisenhower silver dollar, the profit would increase by an additional $128 million, for it would monetize at $3.16 per ounce rather than at $1.88 per ounce.

To the argument that there is an adequate supply of silver in the country for our commercial requirements and silver coinage would require importation of additional silver stocks, I respond by saying that we must also import the nickel and the copper and other minerals used in the minting of our coins.

If we remove all silver from the coins and authorize the Government to dispose of its silver assets in the Treasury, this dumping would exceed annual domestic production and would substantially damage an already depressed market price.

Finally, it should be mentioned that the dollar coin which commemorates Dwight David Eisenhower should be as prestigious as the coinage for previous outstanding men of American history. It should not be a nickel-clad demonetized coin without quality that bears some relationship to the previous metal some of us feel is important.

In the event H.R. 14127 fails passage under suspension of the rules, I want to urge my colleagues to exert every possible pressure to cause the bill to be presented by the Committee on Banking and Currency to the Rules Committee for an open rule, so that the measure can come before the House under procedures allowing for amendment, so that the Congress can truly work its will.

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

The question is on the motion of the gentleman from Texas that the House suspend the rules and pass the bill H.R. 14127, as amended.

The question was taken; and on a division (demanded by Mr. PATMAN) there were—ayes 48, noes 54.

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

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

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

The question was taken; and there were—yeas 206, nays 148, not voting 77, as follows:

[Roll No. 202]

YEAS—206

Addabbo	Bell, Calif.	Brasco
Alexander	Bennett	Bray
Anderson, Calif.	Betts	Broomfield
Andrews, N. Dak.	Bevill	Broyhill, Va.
Annunzio	Biaggi	Burke, Mass.
Arends	Bingham	Burlison, Mo.
Ashley	Blackburn	Button
Barrett	Blatnik	Byrne, Pa.
Beall, Md.	Boland	Byrnes, Wis.
	Bolling	Carter
	Brademas	Cederberg
Chamberlain	Heckler, Mass.	Philbin
Clancy	Helstoski	Pirnie
Clark	Holifield	Poage
Clawson, Del	Horton	Podell
Cleveland	Hosmer	Price, Ill.
Cohelan	Hungate	Pryor, Ark.
Conable	Hunt	Pucinski
Conte	Hutchinson	Quillen
Corbett	Jarman	Rees
Corman	Johnson, Pa.	Reid, Ill.
Coughlin	Jones, Ala.	Reuss
Culver	Kastenmeier	Rivers
Daddario	Kazen	Robison
Daniels, N.J.	Kee	Rodino
Davis, Wis.	Keith	Rogers, Colo.
Dawson	Koch	Rooney, N.Y.
de la Garza	Kuykendall	Rooney, Pa.
Diggs	Kyros	Rostenkowski
Dingell	Latta	Roybal
Donohue	Long, Md.	Ruppe
Dwyer	Lowenstein	Ryan
Eckhardt	McCarthy	St Germain
Esch	McDade	Scheuer
Eshleman	McFall	Schneebeli
Evans, Colo.	Macdonald, Mass.	Schwengel
Evins, Tenn.	MacGregor	Shipley
Fallon	Madden	Sikes
Farbstein	Mahon	Slack
Feighan	Mailliard	Smith, Iowa
Findley	Matsunaga	Stafford
Fish	Mayne	Staggers
Flood	Melcher	Stanton
Ford, Gerald R.	Meskill	Steed
Fraser	Mikva	Stokes
Frelinghuysen	Miller, Calif.	Stratton
Friedel	Mills	Stubblefield
Fulton, Tenn.	Minish	Sullivan
Fuqua	Mink	Symington
Galifianakis	Minshall	Taft
Gallagher	Mize	Teague, Tex.
Gettys	Monagan	Thompson, Ga.
Giaimo	Morgan	Thompson, N.J.
Gibbons	Morse	Thomson, Wis.
Gilbert	Moss	Tiernan
Gonzalez	Murphy, Ill.	Van Deerlin
Gray	Murphy, N.Y.	Vander Jagt
Green, Oreg.	Natcher	Vanik
Griffiths	Nedzi	Watts
Gubser	Nichols	Whalen
Gude	Obey	Widnall
Hamilton	O'Hara	Wiggins
Hanley	O'Neill, Mass.	Williams
Hanna	Ottinger	Wolff
Hansen, Wash.	Passman	Wright
Harsha	Patman	Wyatt
Harvey	Patten	Wydler
Hathaway	Pepper	Yates
Hawkins	Perkins	Zion
Hechler, W. Va.		

NAYS—148

Abernethy	Foley	Miller, Ohio
Adair	Fountain	Mizell
Adams	Fulton, Pa.	Montgomery
Andrews, Ala.	Garmatz	Myers
Ashbrook	Gaydos	Nix
Aspinall	Goldwater	O'Konski
Ayres	Goodling	Olsen
Baring	Griffin	O'Neal, Ga.
Belcher	Gross	Pettis
Blanton	Grover	Pickle
Brinkley	Hagan	Pike
Brotzman	Haley	Poff
Brown, Ohio	Hall	Pollock
Broyhill, N.C.	Hammer-schmidt	Preyer, N.C.
Buchanan	Hansen, Idaho	Price, Tex.
Burke, Fla.	Hastings	Purcell
Burleson, Tex.	Hays	Quie
Burton, Calif.	Henderson	Railsback
Bush	Hicks	Randall
Cabell	Hogan	Rarick
Caffery	Hull	Reifel
Camp	Ichord	Rhodes
Casey	Johnson, Calif.	Riegle
Chisholm	Jonas	Roberts
Clausen, Don H.	Jones, N.C.	Rogers, Fla.
Collier	Jones, Tenn.	Roth
Collins	Kleppe	Ruth
Daniel, Va.	Kyl	Satterfield
Davis, Ga.	Langen	Saylor
Dellenback	Lennon	Schadeberg
Denney	Lloyd	Scherle
Dent	Long, La.	Scott
Derwinski	Lukens	Sebelius
Devine	McClory	Shriver
Dickinson	McCloskey	Sisk
Dorn	McClure	Smith, Calif.
Dowdy	McCulloch	Smith, N.Y.
Duncan	McEwen	Snyder
Edmondson	McKneally	Springer
Edwards, Calif.	McMillan	Steiger, Ariz.
Eilberg	Marsh	Steiger, Wis.
Erlenborn	Martin	Stuckey
Fisher	May	Talcott
Flowers	Meeds	Teague, Calif.
		Udall

Ullman	Watson	Wold
Utt	White	Wylie
Waggonner	Whitehurst	Wyman
Waldie	Whitten	Zablocki
Wampler	Winn	Zwach

NOT VOTING—77

Abbitt	Dulski	Mathias
Albert	Edwards, Ala.	Michel
Anderson, Ill.	Edwards, La.	Mollohan
Anderson, Tenn.	Fascell	Moorhead
Berry	Flynt	Morton
Biester	Ford, William D.	Mosher
Boggs	Foreman	Nelsen
Bow	Frey	Pelly
Brock	Green, Pa.	Powell
Brooks	Halpern	Reid, N.Y.
Brown, Calif.	Harrington	Rosenthal
Brown, Mich.	Hébert	Roudebush
Burton, Utah	Howard	St. Onge
Cahill	Jacobs	Sandman
Carey	Karth	Skubitz
Celler	King	Stephens
Chappell	Kirwan	Taylor
Clay	Kluczynski	Tunney
Colmer	Landgrebe	Vigorito
Conyers	Landrum	Watkins
Cowger	Leggett	Weicker
Cramer	Lipscomb	Whalley
Cunningham	Lujan	Wilson, Bob
Delaney	McDonald, Mich.	Wilson, Charles H.
Dennis	Mann	Yatron
Downing		Young

So (two-thirds not having voted in favor thereof) the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Reid of New York and Mr. Morton for, with Mr. Berry against.

Until further notice:

Mr. Boggs with Mr. Anderson of Illinois.
Mr. Albert with Mr. Bow.
Mr. Celler with Mr. Lipscomb.
Mr. Delaney with Mr. King.
Mr. Taylor with Mr. Michel.
Mr. Brooks with Mr. Edwards of Alabama.
Mr. St. Onge with Mr. Mosher.
Mr. Skubitz with Mr. Nelsen.
Mr. Charles H. Wilson with Mr. Pelly.
Mr. Carey with Mr. Cahill.
Mr. Abbitt with Mr. Roudebush.
Mr. Chappell with Mr. Landgrebe.
Mr. Dulski with Mr. Sandman.
Mr. Fascell with Mr. Cowger.
Mr. Green of Pennsylvania with Mr. McDonald of Michigan.
Mr. Moorhead with Mr. Lujan.
Mr. Leggett with Mr. Powell.
Mr. Rosenthal with Mr. Biester.
Mr. Kluczynski with Mr. Mathias.
Mr. Tunney with Mr. Cramer.
Mr. Hébert with Mr. Watkins.
Mr. Howard with Mr. Cunningham.
Mr. Colmer with Mr. Burton of Utah.
Mr. Downing with Mr. Brock.
Mr. William D. Ford with Mr. Whalley.
Mr. Young with Mr. Foreman.
Mr. Kirwan with Mr. Weicker.
Mr. Anderson of Tennessee with Mr. Brown of Michigan.
Mr. Edwards of Louisiana with Mr. Bob Wilson.
Mr. Jacobs with Mr. Halpern.
Mr. Flynt with Mr. Frey.
Mr. Yatron with Mr. Conyers.
Mr. Brown of California with Mr. Clay.
Mr. Stephens with Mr. Dennis.
Mr. Mann with Mr. Mollohan.
Mr. Karth with Mr. Landrum.
Mr. Vigorito with Mr. Harrington.

Mrs. REID of Illinois and Mr. ESCH changed their votes from "nay" to "yea."

Mr. SMITH of California changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

GENERAL LEAVE TO EXTEND

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

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

There was no objection.

GIFTED AND TALENTED CHILDREN EDUCATIONAL ASSISTANCE ACT

Mr. PERKINS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13304) to provide for educational assistance for gifted and talented children.

The Clerk read as follows:

H.R. 13304

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Gifted and Talented Children Educational Assistance Act".

SEC. 2. (a) Section 503(11) of the Elementary and Secondary Education Act of 1965 (relating to grants to strengthen State departments of education) is amended by inserting after "handicapped" the following: "and gifted and talented children".

(b) Section 801 of such Act (relating to definitions) is amended by adding at the end thereof the following:

"(1) The term 'gifted and talented children' means children who have outstanding intellectual ability or creative talent."

SEC. 3. (a.) Section 521 of the Higher Education Act of 1965 (relating to fellowships for teachers) is amended by inserting in the last sentence thereof after the words "handicapped children" the following: "and for gifted and talented children".

(b) Section 1201 of such Act (relating to definitions) is amended by adding at the end thereof the following new paragraph:

"(k) The term 'gifted and talented children' means children who have outstanding intellectual ability or creative talent."

SEC. 4. (a) The Commissioner of Education shall:

(1) determine the extent to which special educational assistance programs are necessary or useful to meet the needs of gifted and talented children,

(2) show which existing Federal educational assistance programs are being used to meet the needs of gifted and talented children,

(3) evaluate how existing Federal educational assistance programs can be more effectively used to meet these needs, and

(4) recommend which new programs, if any, are needed to meet these needs.

(b) The Commissioner shall report his findings, together with his recommendations, to the Congress not later than one year after the enactment of this Act.

The SPEAKER. Is a second demanded?

Mr. ERLENBORN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Kentucky (Mr. PERKINS) is recognized for 20 minutes.

Mr. PERKINS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, H.R. 13304 broadens the authority now contained in title V of the Elementary and Secondary Education Act to authorize the Commissioner of Education to make grants to state education agencies to enable them to provide local education agencies with consultative services and technical assistance to provide educational programs for gifted and talented children. No additional authorizations are provided for the additional authority. Title V of the Elementary and Secondary Education Act was first enacted in 1965. It authorized grants to State departments of education in order to strengthen the role of such agencies in improving the quality of elementary and secondary education. Authorizations for fiscal years 1969–70 and 1971 are at the level of $80 million per annum. The sum of $29,750,000 was appropriated for the fiscal year 1969 and in the House passed appropriations bill for fiscal year 1970 the same amount is provided.

In addition the bill would amend the Education Professions Development Act to permit the granting of fellowships for teachers of gifted and talented children.

Finally, the bill would require the Commissioner of Education, first, to determine whether special programs are needed or useful for these children; second, to show which Federal programs are assisting them now; third, to evaluate how these programs can be made more useful; and, fourth, to recommend which new programs, if any, are needed.

Mr. Speaker, it has been said that the gifted or talented child operates in a regular school program under as much a handicap, if not more, as a physically or mentally handicapped child. While at the same time I think that all of us would wish that this problem would be one that would continue to grow. It is apparent that if we are to fully preserve our Nation's greatest resource, that is the intellectual capacity of the people, we must through our regular school program be capable of recognizing extraordinary talent and intellectual capacity and be capable of providing learning environment by which that intellectual capacity can mature and develop to its fullest. This legislation, I think, will make a tremendous impact on providing better programs in our States to better develop this intellectual resource. Indeed, it is essential that we afford the gifted the appropriate opportunities for learning that we provide other citizens with special needs with educational opportunities.

Mr. Speaker, I do not know of any objection to the legislation and I am hopeful that the bill will pass this body unanimously.

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

Mr. Speaker, I am pleased today to join my colleagues in support of H.R. 13304. Our heritage is based upon freedom and equality, but we know that all of us were born with unequal abilities and potentials. Still we have held to the notion that there ought to be in our country equal access to all opportunity so that every child gets a chance to develop his unequal abilities to his fullest potential. It is to this purpose that this bill is addressed—to enable

our gifted and talented children to develop their abilities to the fullest, for their own fulfillment and for the betterment of our Nation.

A most important aspect of this bill is section 4, which authorizes the Commissioner of Education to evaluate the manner in which existing Federal programs can be effectively utilized to meet the needs of gifted and talented children and the extent to which new programs are necessary to meet the needs of such children. We have all recognized portions of educational legislation which imply educational assistance to gifted and talented youth such as that found in the National Defense Education Act legislation of more than a decade ago. Some of the more current legislation makes it possible for school personnel to improve their programs by giving attention to gifted and talented youth, and the first sections of this bill are designed to make it more clear that Congress is concerned about these children. Yet I have not seen much evidence to suggest that the stimulation we have provided the States so far has caused significant changes in educational programing for the gifted child. Most references to the gifted in federally stimulated programs have been eye-catching tidbits instead of substantive components. The brainpower enrolled in our schools today is far too important to be allowed to drift along without the conscious attention and concern necessary to develop fully the potential which is abundant, but undeveloped, in every cultural group across the land.

In many respects the conservation of our intellectual resources has an interesting parallel to the conservation of physical resources in the Nation. As a great nation with an almost unparralled wealth of natural resources, we paid little attention initially to conservation on the grounds that so much was available that a little waste would not be harmful. The same casual approach is now noted in regard to our resources of intellect and talent.

In an equalitarian society it is not often popular to point out that some citizens have a potential for greater impact on society than others. What we do for them, or do not do for them, casts a long shadow influencing many persons besides the youths themselves. The sonata never composed, the medical discovery never made, a political breakthrough not accomplished, often do not impress the pennywise and pound foolish. How can one measure the value of a Thomas Jefferson, an Eli Whitney, a Samuel Morse, a George Washington Carver, or the heroes of our space program today, except to say that their values lies in their irreplaceability. But, as their contributions have been great, so our society has missed the contributions of many who did not achieve a level of educational competence to make the contribution for which they had the potential.

If we believe our educational system can make any impact on talented students, then our failure to provide the maximum opportunity, challenge, and stimulation should fill us with deep disappointment. Therefore, I look with great anticipation to the result of the study required in this bill, together with the recommendations which will enable us to provide the opportunity for developing this great natural resource for the solution of today's complex problems.

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

Mr. ERLENBORN. I yield to the gentleman from Michigan (Mr. ESCH).

Mr. ESCH. Mr. Speaker, I thank the gentleman for yielding, and I would like to compliment the gentleman from Illinois (Mr. ERLENBORN), for his outstanding leadership on this legislation, and on the concept that we need to aid directly the gifted and talented children in the country who will become the leaders of our communities and of our Nation in the future.

The Nation has a traditional, and commendable, concern for the underdog. Thus we have numerous national and State programs to assist the mentally retarded, the handicapped, and the underprivileged. All of these programs are important, and many of them should be expanded.

However, in our concentration on the underdog, we have sometimes lost sight of the most valuable asset our Nation possesses—our gifted and talented young people. National estimates indicate that there are nearly 3 million young people now in our school systems who have extraordinary talents, abilities, and intellect. These are the young people who may become our "Einstein' of the future—or Edison, Salk, Steinbeck, Louis Armstrong, Marion Anderson, and so forth.

These young children with outstanding intellectual ability and creative talent require services and programs beyond those normally offered in school systems. For the intellectually gifted, regular programs frequently fail to offer sufficient challenge to retain the interest of the child and the boredom which sometimes results can lead to dislike of school and refusal to develop fully. The unusually creative child, if his talents are unnoticed, may never develop them to their full potential and thus rob the Nation of the rich cultural contribution he might make.

The bill we consider today makes a national commitment to improve our programs dealing with gifted children. This program requires no additional funds. Its purpose is to utilize funds presently being spent to assure that gifted children receive adequate attention. It will not take away from any programs which are presently underway, but would add a new consideration to the administration of them.

Our bill encourages the training of additional teachers to deal with the gifted child, assists State Departments of Education in establishing special programs within their States, and provides avenues for funding of special programs on a multischool or regional basis. The Federal Office of Education presently does not employ a single person whose responsibility it is to stimulate programs for the gifted nor is there a clearinghouse in the Office of Education which provides information to school systems on successful programs which have been conducted elsewhere.

I am pleased that my colleagues here in the House have shown such overwhelming support for this legislation. I have long considered it to be immensely important for the future of this Nation to assure the proper growth and development of the gifted child.

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

Mr. ERLENBORN. I yield to the gentleman from Ohio (Mr. AYRES).

Mr. AYRES. Mr. Speaker, the recent historic event of placing a man on the moon has stirred our feelings of national pride as we reflect on man's creative skill and our Nation's technical expertise. We have crossed the barrier of "earth boundness" and have stepped further into the galaxy. Our Nation is desparately in need of men and women with the capabilities to bring creative solutions to our present global problems and the future problems of man and his universe. The time has arrived when we can no longer verbalize about the need for the development of talent. We must begin systematic efforts at the National, State, and local levels to identify and cultivate the talents which exist in every sector of American life. Talented children can be found in the streets of our ghettos, the roads of our rural communities as well as the avenues of our growing suburbs. It is not caused by a certain economic or cultural level, but it is often hindered by these conditions. The bill before us today expresses the concern of the Congress about present conditions and urges the education community to undertake improvements for the future. Experience has shown us that the answer to our problems is not money alone, but that change will best occur through changes in attitudes and methods. I hope that our action here today will be the incentive for Federal, State, and local educational agencies as well as others interested in the well being of our Nation to heed the call for a dialog to help us look at people as individuals so their unique talents can be developed and their future contributions utilized in all sectors of our society.

Mr. Speaker, over a decade ago, under the pressure created by the Sputnik crisis, this Nation made a commitment to create special educational opportunities for its exceptionally gifted and talented students. In the intervening years we have witnessed a vast expansion of Federal educational assistance to many special categories of students: the disadvantaged, the handicapped, and those needing vocational training, to mention a few. Our initial commitment to the exceptionally gifted and talented student, however, has gone largely unfulfilled.

Dr. James J. Gallagher, former Associate Commissioner of Education for the Handicapped, accurately characterized the situation of the gifted and talented student when he said recently that the needs of these students do not create the kinds of "immediate crises and emergencies" which have required legislative attention in the recent past. The educational needs of this group of students are not less immediate, however, for lack of crises and emergencies.

We have no measure of the unfulfilled potential in the gifted and talented stu-

dents of this country which exists as a result of inattention to their special educational needs. We do, however, have some indications that the current level of special educational attention to the gifted is at a very low and rudimentary level.

For example, only 17 of the 50 States officially acknowledge the existence of gifted and talented students as a special category in their education codes. A recent unpublished study by Messrs. William G. Vassar and Joseph S. Renzulli, specialists in the problems of educating the gifted from Connecticut, indicates that only 15 States report the assignment of one or more full-time staff people to the problem of educating the gifted. In addition, 22 States have no one at the State level with responsibility for this area and 13 States give only token attention.

Mr. Speaker, I would like to bring to the attention of the House H.R. 13304, a bill to amend existing Federal aid to education legislation to facilitate the development of special educational programs for the talented and gifted student at the State level. Briefly, the provisions of the bill are as follows:

First, to amend title V of the Elementary and Secondary Education Act of 1965 to encourage State education to allocate Federal funds for consultative and technical assistance to localities for the purpose of developing special educational services for gifted and talented students;

Second, to amend title VI of the Higher Education Act of 1965 to encourage State education agencies to allocate Federal funds for postgraduate training of teachers interested in the special educational problems of the gifted; and

Third, to authorize the Commissioner of Education to assess the need for additional educational assistance to programs for the gifted, to evaluate the adequacy of existing programs in this area, and to suggest new programs which might be needed.

These amendments are a modest acknowledgment of a national commitment to a group of students who have been all too frequently overlooked in the Federal aid legslation of the recent past. While existing legislation does not prohibit the use of Federal funds for this purpose at the present time, it is important to note that neither does it encourage such a use. Consequently, only three States, Connecticut, Colorado, and California have chosen to allocate funds from title V of ESEA to assist in the development of special education programs for the gifted.

It is also important to note in these times of severe fiscal stringency that this bill requires the authorization of no new expenditures. Its purpose is rather to encourage a modest readjustment of existing expenditures toward this area of emphasis.

These amendments constitute no additional infringement upon the authority of State and local education agencies. Indeed, by improving the capability of these agencies to deal with another area of special educational needs, H.R. 13304 is consistent with the original object of title V of ESEA, which was to assist in the strengthening of State education agencies.

The hearings on this issue before the General Subcommittee on Education reveal that we have made only the most rudimentary start toward the development of special educational programs for the gifted. We have no way of telling how much potential is wasted when a gifted student becomes a dropout, or when the talented are left unchallenged by the normal curriculum. Worse yet, however, is the fact that we have done so little to discover what is possible when special attention is given to the problems of the gifted.

We have made a praiseworthy start in helping to meet the special educational needs of such groups as the economically disadvantaged, the handicapped, and those with identifiable learning disabilities. It is only proper that we should take this modest step toward providing special assistance for the gifted and talented student.

Mrs. GREEN of Oregon. Mr. Speaker, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentlewoman from Oregon (Mrs. GREEN).

Mrs. GREEN of Oregon. Mr. Speaker, I thank the gentleman for yielding.

For many years programs for the exceptionally gifted child were included in legislation for children with very special needs. This was as it should be, for oftentimes the "whiz kid," the exceptionally bright child, the potential genius, does have needs that can no more be met in the classroom program geared to that wide spectrum we call the average child than can the needs of those children with severe physical or mental handicaps. However, in recent years we have more and more concentrated our efforts on the latter to the exclusion of the exceptionally gifted. I hope that we can restore some balance to these programs, remembering that our goal is to give all children the opportunity to develop their full potential. Intellectually gifted children, which certainly oftentimes includes children with physical handicaps, require special challenges if they are to be productive rather than bored and unhappy with their classwork. Therefore, I hope we will no longer neglect the future leaders of our country. To continue such a policy could only be to the detriment of the country itself.

Mr. Speaker, I congratulate the gentleman from Illinois (Mr. ERLENBORN) and the distinguished chairman of the subcommittee, the gentleman from Illinois (Mr. PUCINSKI), for having taken the leadership in bringing about this important, needed change.

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

Mr. ERLENBORN. I yield to the gentleman from Iowa (Mr. SCHERLE).

Mr. SCHERLE. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I have joined with 21 Members of Congress in sponsoring this bill which provides for educational assistance for gifted and talented children. This bill would extend the Elementary and Secondary Education Act of 1965 and the Higher Education Act of 1965 to include gifted and talented children. It would also direct the Commissioner of Education to determine the special needs of these children, show which present Federal programs are being used to meet their requirements, and recommend what new programs, if any, are necessary to meet their special educational needs. This proposed legislation can be a great stride forward in the best utilization of our country's most precious resource, our young people.

Up to now there have been no major programs for the "gifted" child—the student who is in the upper 25 percent of the IQ ratings. These students, except in those few schools where they approach a majority, need special challenges to keep them interested and in school. Currently some 80,000 of these gifted students leave school before graduation each year—not because they cannot learn, but because the schools do not provide for their special educational needs. No country can afford such a waste of man and brain power.

For the special educational needs of disadvantaged children, the companion bill considered today, H.R. 13310 which I also cosponsored, should be approved. There now exist programs ranging from social security and vocational training to special facilities for the mentally handicapped and mentally retarded, the blind, the deaf and the physically handicapped and to the training of teachers for the handicapped. H.R. 13310 would develop a program to assist in the education of those young people who fit none of these categories but are afflicted with special learning difficulties such as vision problems.

Before recessing the House approved, with my wholehearted support, an amendment to the HEW appropriation bill increasing the funds for disadvantaged children by $15 million, for a total of $100 million. Between 5 and 6 million young Americans are in one way or another, disadvantaged. Currently only 2 million about 36 percent of these children are being helped. While a great deal more money will be needed to enable these young people to become productive citizens, this is the amount Health, Education, and Welfare Secretary Finch felt his Department could effectively administer during the present fiscal year.

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

Mr. ERLENBORN. I yield to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, I thank the gentleman for yielding, and I wish to commend the gentleman from Illinois for his insight into the need for this legislation so as to include gifted children within the definition. In the past exceptional children are generally considered to be gifted as well as handicapped. In present law we define handicapped but did not include gifted. I think this was a shortcoming of present law.

I again want to commend the gentleman from Illinois for his interest in gifted children who have been neglected, but will now be included. This will not take anything away from the disadvantaged or take anything away from the handicapped children, but rather will recognize the special needs that the gifted child has.

Mr. ERLENBORN. Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The gentleman from Illinois has consumed 7 minutes.

Mr. PERKINS. Mr. Speaker, I yield 6 minutes to the distinguished gentleman from Illinois, the chairman of the subcommittee (Mr. PUCINSKI).

The SPEAKER. The gentleman from Illinois (Mr. PUCINSKI) is recognized for 6 minutes.

Mr. PUCINSKI. Mr. Speaker, as chairman of the subcommittee which rejected this bill to the full committee, I wish to thank the gentleman from Kentucky (Mr. PERKINS) for bringing this bill to floor for action. It is a common error in our society which seeks to rank its priorities that only our handicapped children are in particular need of—or deserve—Federal assistance for education.

The bill before us, H.R. 13304, focuses on the problems of perhaps our greatest natural resource—our gifted and talented young people. It is not possible to establish a priority rating for the gifted youngster in our society. His potential for the future may be boundless, but we will not benefit from it unless our schools have a climate of genuine opportunity and intellectual challenge for the highly talented.

We are justly concerned with providing the teachers, the techniques, and the learning tools for all of our children. But the gifted child presents a unique problem.

Because he is able to live by his wits in many situations, very often he is not interested or challenged to learn more than he has to in an average classroom. Studies in several of our large city school systems have pointed to the alarming tendency of the above average and gifted student to drop out of school before graduating. Such a youngster believes he will find more to interest him away from school. All too often he is right.

Each year in America only about 2,800 highly gifted students graduate from college. Their number increases very little each year. These are children who were motivated to remain in school.

H.R. 13304 would strengthen grants to State departments of education for purposes of implementing or supplementing programs for gifted and talented children. This legislation would also amend scction 521 of the Higher Education Act—the Education Professions Development Act—dealing with teacher fellowships, to specify that education for the gifted and talented is a field of education for which fellowships can be granted. A definition of gifted and talented children means children who have "outstanding intellectual ability or creative talent."

As anyone who has watched a classroom full of children knows, the gifted are not always that noticeable or detectable—even for the trained teacher.

The problem of being "different" creates similar problems for the gifted child as well as the retarded child. Educational programs have not been designed specifically for them, teachers have not been given very much experience or training in how to deal with their special needs, and as a result, these students often spend their years in school "getting by." They conform, rather than challenge. They mark time, rather than use it. Their talents are wasted and, to all intents and purposes, are lost and irredeemable.

H.R. 13304 provides that the Commissioner of Education shall—

First, determine the extent to which special educational assistance programs are necessary or useful to meet the needs of gifted and talented children;

Second, show which existing Federal educational assistance programs are being used to meet their needs;

Third, evaluate how existing Federal educational assistance program can be more effectively used to meet these needs; and

Fourth, recommend which new programs, if any, are needed to meet these needs.

The bill requests the Commissioner to report his findings after an intensive survey of this area of education and to make his recommendations to the Congress within one year after the enactment of this act.

I believe this legislation is essential if we are to have any sort of coherent philosophy for the future. Too many average or above average students drop out of school. Too many potentially gifted youngsters gradually have the doors and windows of their minds closed through years of sitting in classrooms where their questions are unanswered, their thoughts allowed to wander, and their brains become locked into habits of memorizing the "right" answers without thought.

We are in an era of renewed appreciation of resources—physical and spiritual. Unless we can do more to create a climate of legitimate inquiry and opportunity for the exceptional youngsters of our society the questions we will ask in future years will have no adequate answers.

This legislation seeks to amend an injustice to these gifted young people—the injustice of taking them for granted and not searching to keep all of them active in classrooms that appreciate their talents and encourage them.

In the vast majority of States—about 75 percent—little or no systematic attention is being paid to the problem of the gifted child by State departments of education.

Only 15 States have reported the assignment of one or more full-time staff member to the State's efforts to educate the gifted.

Twenty-two States have no one at the State level responsible for gifted children and programs to help them.

States assigning full-time members to program for the gifted had only 41.6 percent of the Nation's public school population, but served 75 percent of the gifted children. On the other hand, States having no staff members assigned to programs for the gifted had 30 percent of the Nation's school population, but served only 1 percent of the gifted.

There is another interesting sidelight to be reckoned with in considering the need to plan for the gifted.

Most gifted students do not exhibit striking symptoms of maladjustment, which contributes to the illusion that their needs are actually being met in the regular school program.

In most instances where gifted children have been identified, the traditional concept of "intelligence by IQ" has been rigidly employed. Consequently the creative abilities of children and their potential for leadership go undiscovered, as they are not incorporated into standard "IQ tests."

Teacher training is one of the most important components of the total package for gifted and talented students. They need people who will not resent their intelligence, but who on the contrary will seek to challenge it at every turn.

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

Mr. PUCINSKI. I yield to my colleague, the gentleman from New York.

Mr. SCHEUER. Mr. Speaker, I would like to congratulate the distinguished chairman of the subcommittee and my colleague, the gentleman from Illinois, on the other side of the aisle for their leadership in presenting this bill to the floor. All of us are concerned about the problems of the education of the disadvantaged and we have expended a great deal of time and considerable funds in trying to meet that problem. But there are other problems of other children who have other special education needs. Certainly, the intellectually gifted children are a resource which we must not fail to nourish in our country.

In the City of New York in recent months we have had to cut intellectually enriching programs, foreign language programs, music and art appreciation programs and cultural programs of all kinds. This is hurting education for the talented children whether they be of the middle class or chilren from deprived homes.

I want to congratulate my colleague again on his imagination and leadership.

Mr. PUCINSKI. I thank the gentleman.

Mr. BURLISON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman.

Mr. BURLISON of Missouri. Mr. Speaker, the best interests of our Nation demand that we be concerned about the education of our gifted children, as well as the educationally handicapped. I therefore hope the House of Representatives will act favorably upon H.R. 13304. This legislation expresses the concern of Congress that schools are not adequately developing the talents of gifted children. In 1958 the National Defense Education Act recognized the inestimable importance to the Nation of the development of the abilities of gifted children. Special educational programs for that purpose were encouraged, yet with each passing year these programs have received less and less emphasis.

Congress should examine the Nation's efforts to develop these precious talents. Therefore this legislation would direct the Commissioner of Education to conduct a study of the desirability of special programs for the gifted and of the existence and effectiveness of Federal programs for the gifted. The Commissioner would also be directed to recommend which new programs, if any, are needed.

Gifted and talented children would be defined as children who have outstanding

intellectual ability or creative talent. IQ tests only measure certain types of achievement and consequently should not be used as the absolute standard for gaging talent. Other measures must also be used to discover giftedness, particularly among the poor and the less academically motivated.

In addition to requiring this study, the legislation would encourage State departments of education to increase their assistance for local programs for the gifted under title V of the Elementary and Secondary Education Act. Only two States are presently using title V funds to employ full-time staff to assist these programs.

Only 15 States assign one or more full-time staff persons to work in this area, and 22 States have not one person at the State level responsible for programs for such children. Yet nine out of 10 of these gifted now receiving services come from the States which provide leadership at the State departmental level.

This legislation would encourage the States to provide the direction which clearly fosters the development of local programs for the gifted.

This legislation would also encourage granting of fellowships for the training of teachers of the gifted under the Education Professions Development Act. At the present time only 26 colleges and universities offer programs for teachers of the gifted.

In testimony presented before the Committee on Education and Labor the Office of Education emphasized the value of these two amendments and the need for the study.

In summary, then, the purpose of this legislation is to encourage the States and the Federal Government to examine their efforts in developing the precious talents of gifted and talented children. I again join with the committee in support of this legislation, as above stressed by the committee.

Mr. TIERNAN. Mr. Speaker, America has been blessed with an abundance of talent and wealth in its population. It is up to us to develop this potential. H.R. 13304, the Gifted and Talented Children Educational Assistance Act will enable the Commissioner of Education to evaluate special educational assistance programs to determine if they are necessary or useful to meet the needs of these gifted children. In addition, this act seeks to find what Federal programs are worthwhile in this area and how they can be improved.

Since 1958, we have recognized the need for such programs, but have continued to drag our feet. This bill represents positive action and meaningful progress for these children.

Mr. DELLENBACK. Mr. Speaker, children who are exceptionally gifted need special programs in order that their unusual abilities will be challenged and developed to their fullest extent. All too often, however, these children do not receive special opportunities for learning at the rate or to the depth their abilities would make possible, and their outstanding abilities are, as a result, sometimes only partially developed and other times unnecessarily delayed in development. In these instances society loses.

H.R. 13304 would help to correct this situation by giving schools the option to use Federal funds to develop programs for their gifted and talented students. I commend my colleague, the gentleman from Illinois (Mr. ERLENBORN) for his leadership in developing this needed legislation, and I urge the House to act favorably on the bill today.

Mrs. MINK. Mr. Speaker, I rise in support of H.R. 13304. We sometimes discuss the purpose of public education in this country as if we could not educate children both for the benefit of society and of the individual child. I believe we cannot do one without also accomplishing the other. Similarly, I believe that by seeking to elevate and maintain the quality of education for children with special learning needs, we benefit all children and society. H.R. 13340 is concerned with providing educational assistance for gifted and talented children. Their special learning needs are for programs that stimulate and challenge their unusual intellectual abilities, and provide them with opportunities to develop their creativity.

H.R. 13304 will encourage State departments of education to provide consultative and technical assistance related to academic subjects and other aspects of educating gifted and talented children. With the chief State educational agencies providing the direction, I believe local school systems will devote more attention to education of these children. This legislation will also encourage the granting of fellowships to teachers interested in working with the gifted. The Federal Government and the States will be encouraged to examine what is being done now and what needs to be done to assure appropriate education for children whose promise is so great.

Allowed to reach their fullest potential, gifted and talented children can become the leaders in education and all other fields who discover solutions and inspire the rest of the population to solve the problems that each new generation faces in ever greater abundance.

The gifted child of today who receives an education commensurate with his abilities, may well become the teacher of tomorrow who finds new and better ways of helping children with learning disabilities. The gifted and talented child who discovers the range of his talents and how to use them, through his own educational opportunities, is most likely to insist upon, and help create, suitable opportunities for those who follow him.

So great are the marvels of our national technology, that until recently we have tended to take for granted our national gifts of intellect and creativity. Now, however, with the press of population and environmental pollution threatening the quality of life, and life itself, we realize as never before how desperately we need trained intelligence and courageous creativity.

I urge you to join me in support of this bill which will help develop one of the most precious of our human resources—the gifts and talents of specially endowed children.

Mrs. SULLIVAN. Mr. Speaker, when citizens express disappointment over the length of time it often requires to enact long-needed changes or improvements in our laws, we try to explain that the legislative process is not usually a speedy one—that it takes patience and constant prodding to persuade Congress to act. The bill now before the House is a perfect example of how long it sometimes takes.

In August of 1957, in the first bill ever introduced to provide scholarships and fellowships for elementary and secondary schoolteachers to obtain advance training in the special skills needed for teaching of all categories of what are decribed as exceptional children, I included among the children who would have been benefited those who are usually gifted, as well as children with various types of physical disabilities.

That legislation had a rocky road until former Senator Lister Hill of Alabama incorporated most of its provisions—those dealing with handicapped children only—as title III of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, and this title was subsequently agreed to by the House Committee on Interstate and Foreign Commerce, and became law.

I am delighted now to join in support of the bill now before us from the Committee on Education and Labor to complete the scope of the proposal I made originally in 1957—that is, to provide scholarships and fellowships to teachers specializing in the training of gifted children. Since it has required a dozen years to bring this matter before the House, I hope this measure quickly becomes law and is fully implemented without delay.

Students of education legislation, particularly for exceptional children, may be interested in the background of my bill of 1957 which can be found in the RECORD for Wednesday, August 28, 1957, describing H.R. 9591 of the 86th Congress, which I introduced 2 days later, on August 30, 1957, as the Exceptional Children Educational Assistance Act.

The research material in the RECORD ran to nearly 20 pages. I submit one excerpt from that speech of 12 years ago, as follows:

EXCERPT FROM SPEECH BY CONGRESSWOMAN LEONOR K. SULLIVAN IN THE HOUSE OF REPRESENTATIVES, WEDNESDAY, AUGUST 28, 1957

COVERS ALL AREAS OF EXCEPTIONALITY

While there is nothing revolutionary or unprecedented in the approach my proposed bill would take, I am informed that the bill will be, when introduced, the first and only bill before Congress to establish in one single, broad, unified Federal grant program a plan to help train urgently needed teachers in every major category of exceptional children.

Most of the congressional activity in this respect up to now has been directed at the problems of educating the mentally retarded child. Thanks to the pioneering work in this field by the House Appropriations Subcommittee for the Department of Labor and the Department of Health, Education, and Welfare, the subcommittee headed by Congressman John E. Fogarty, of Rhode Island—one of our great humanitarians in the Congress—we now have under way through the Office of Education an extensive research program on teaching techniques for helping mentally retarded children.

In addition, both last year and this year the Senate has passed bills to establish a scholarship and fellowship program for

training teachers in this same field of teaching the retarded. Furthermore, Mr. Fogarty's subcommittee this year has called for some new thinking by the Office of Education on the best methods of providing better educational opportunities for children with speech and hearing defects—another sizeable group of exceptional children; in fact, I think it is the largest single category of such children.

The bill which I plan to introduce in the next few days, on the other hand, will cover not only these groups but all other major categories of what the educators call exceptionality. It will provide a program of Federal scholarships and fellowships to individuals, and grants to colleges and universities to stimulate the training of some of the many thousands of specially equipped professional people needed in all of these fields, as teachers in the elementary and secondary schools, as supervisors of such teachers, and, at the college level, as teachers of advanced education courses and as researchers in the areas of exceptional children.

THE PROBLEM FACED BY THE EXCEPTIONAL CHILD IN SCHOOL

Mr. Speaker, while all of us are endowed with individual qualities and characteristics which distinguished us from each other, most of us are blessed with a kind of normal averageness, if that is the word, of physical appearance and mental capacity which enables us from childhood on to submerge comfortably in the group—in the crowd—if we so desire, and travel life's road at a comparatively easy pace. Most of the institutions with which we come in contact, the tools we must use, the clothes we wear, the homes in which we live, the specifications for most jobs, and the schools in which we learn, particularly the schools, are geared or tailored pretty much to the norm. I said we are blessed with this averageness because certainly as children we shrink at the idea of being visibly or demonstrably different.

But while most children seem to fit a comfortable pattern, others, a very select few, are touched by God with such great gifts of mind and perception as to stand out for their brilliance; and still others, millions of others, are chosen for reasons known only to God for the special testing and trial of another form of differentness, that is, in having to shoulder physical, mental, or emotional handicaps or disabilities.

To romanticize this situation, it is easy to think that the gifted child has everything in his favor with the world as his oyster, and the handicapped child inevitably has some inner fire and drive to enable him to overcome his physical limitations and achieve the greatness which has come to so many in similar circumstances, great poets, musicians, teachers, physicians, and so on, who were handicapped and who nevertheless achieved great things in spite of, if not because of, these physical handicaps.

But let us not forget that children do not suck knowledge out of their thumbs. They must be taught and often it is a painstakingly difficult—incredibly difficult—and skilled tasks to teach some unfortunate children anything, to teach others the minimum of those things they must learn and know in order to live useful lives, and to teach still others all they can learn profitably.

WASTAGE OF HUMAN RESOURCES

In this respect, the greatly gifted child and the handicapped child share some common and often serious problems in the education process and thus are placed together by educators under the heading of exceptional. For the procedures set up to teach the so-called normal or average child do not begin to reach the educational needs of the different child—the exceptional child—gifted of handicapped—is robbed of some of his educational birthright.

Some millions of children of school age are not in any school at all because of the existence of this problem. Some of these receive some help from the school system, but the problem is enormous, and the needs generally are not being met.

In addition, many others attend school but find it often a frustrating experience a place of confusion and torment, because they are just not geared for the classroom routine. They need classroom work specially planned for their abilities or handicaps. A capable youngster with a serious speech or hearing or visual defect can be made to feel dumb; an emotionally disturbed youngster can be a distracting influence on an entire class; a gifted youngster can sit and vegetate in pure boredom in a class which he tends to find a prison for his imagination or feel out of it in a class of older children who are nearer his mental capacity.

This is the problem faced by the exceptional child, and by his parents, and by all of us. Because the specialized equipment or the special techniques—or, most important, the specially trained teachers—are not available, the exceptional child suffers from unrealized educational opportunities, and his family is often caught in an agonizing situation. I think all of us know of such families and the problems they face. And lastly, we as a nation suffer in terms of a tragic wastage of human resources, of skills and abilities we cannot afford to waste.

I am not going to put this in terms of cold war or West versus East or the fact that the Soviet Union is outstripping us in the education of scientists and engineers and technicians. True, a gifted child whose talents are wasted because he is not stimulated to learn to his full capacity might otherwise become a great inventor or scientist whose discoveries could bolster our defenses, but that is not the point I wish to make. I should like to present this problem not in terms of national defense but in terms of what is right and fair to American children and to our society, which could be enriched by the contributions of all of these exceptional children if given the opportunity to learn and contribute to their full capabilities.

FOUR TO SIX MILLION SCHOOL-AGE CHILDREN

Who are these children? And how many are there?

They are, as I said, the mentally superior, on the one hand, and the mentally retarded, on the other. In addition, they include the crippled and deformed, including the cerebral palsied; the deaf and the hard-of-hearing; the blind and the partially seeing; the speech-defective; the undervitalized; those with special health problems, including the cardiopathic, epileptic, and tuberculous; the emotionally maladjusted, and the delinquent.

There is no exact count available on the number of children in each of these groups, but the estimates considered most reliable, based on spot studies by localities and national organizations, place the total somewhere between 4 and 6 million children in the school ages between 5 and 17.

In 1954, Romaine P. Mackie and Lloyd M. Dunn of the United States Office of Education reported—"with some reluctance," they said, because of the lack of exact information—that informed estimates showed the following incidence of exceptional children of school age for the year 1952:

Blind and partially seeing	63,000
Crippled	510,000
Special health problems	510,000
Deaf and hard of hearing	510,000
Speech handicapped	680,000
Socially maladjusted	680,000
Mentally retarded	680,000
Gifted	680,000

Mr. Speaker, I think there might well be some surprise at the size of those in the gifted category, those with I.Q.'s of above 125, for according to this tabulation, the intellectually superior equal in round numbers the number of mentally retarded children of school age.

Mr. MATSUNAGA. Mr. Speaker, as one who has supported the Elementary and Secondary Education Act since it was first under consideration by this body in March 1965, I rise in support of H.R. 13304, the Gifted and Talented Children Educational Assistance Act. As an amendment to the Elementary and Secondary Education Act of 1965, this bill recognizes that the special talents of the gifted child are no less important than the special problems of the handicapped child.

The act defines a "gifted and talented" child as one with "outstanding intellectual ability or creative talent" thus giving educators needed flexibility in helping the child from a lower income family. Reliance upon IQ tests as the method for discovering these children is discouraged, as they are known to be unreliable measures of giftedness. IQ tests also overlook differences in environmental development. In today's world we cannot afford the luxury of bypassing the child whose special talents and abilities are submerged beneath the labels "underachiever" or "poorly motivated." A child is no less gifted because he is poor.

An important goal of this act is to provide adequate assistance to teachers who wish special training in this area of education. H.R. 13304 will grant fellowships to teachers who qualify and they will in turn improve State departments of education in this inadequately developed area. It is appalling that only 15 States assign one or more full-time staff members to work in this area. Twenty-two States do not have a single person at the State level responsible for programs for the gifted child.

In my own State of Hawaii, the Elementary and Secondary Education Act has become an important part of our program of improving the education of elementary and secondary schoolchildren who live in recognized low-income areas. H.R. 13304 extends and strengthens the Elementary and Secondary Education Act in an area vital not only to Hawaii's Department of Education, but to every State's as well.

Mr. Speaker, I strongly urge a favorable vote for this legislation.

Mr. BOLAND. Mr. Speaker, in recent testimony before the House General Subcommittee on Education, James J. Gallagher of the Office of Education, reminded us of these words:

> Of all sad words of tongue and pen the saddest of these—it might have been.

Dr. Gallagher was referring to the plight of the many thousands of gifted children in America who are not receiving the kind of education best designed to help them develop their talents to the full. These children, while they constitute but a minority of our population, will cast a long shadow on the future growth and development of our entire Nation.

Human talent is one of the most precious resources of our civilization. The cost of its loss, whether it be through ignorance, neglect, or a misplaced sense

of egalitarianism, cannot be calculated in monetary terms. For who can measure the value of the scientific discoveries and works of art which have so enriched the cultural and intellectual life of mankind? We speak of striving toward equality of educational opportunity for all, but in our efforts to achieve it we have tended to focus concern exclusively on those children who are deprived in tangible ways from attaining their full potential. The gifted child who receives a mediocre education, however, suffers in the same degree as other children in the same circumstances. None of them are likely to achieve the excellent education to which we have committed ourselves as a nation. I do not suggest that we reduce our dedication to improving the schooling of all Americans, but rather that we recognize the special needs and potential of the gifted child as we have recognized the needs and potential of the disadvantaged, the handicapped, and the bilingual student.

H.R. 13304, the Gifted and Talented Children Educational Assistance Act, is a much-needed step in this direction. By amending title V of the Elementary and Secondary Education Act, this bill will encourage State departments of education to provide local educational agencies with the technical assistance and services needed for educational programs for the gifted. The Education Professions Development Act will also be amended to permit the granting of fellowships to train the teachers of gifted and talented children. The help of the Commissioner of Education will also be enlisted in order to assess the scope and nature of the existing problems, programs and needs of the gifted child. The 1-year study which this bill requires would determine the need or usefulness of special programs for the gifted, show which Federal programs assist them now, evaluate these programs, and make recommendations for the future. Such information is absolutely essential if we are to take meaningful action to remedy our inexcusable neglect of this forgotten, but infinitely precious, minority. I urge passage of this bill as a small but important step toward insuring the continuing development of the talents which we as a nation must both conserve and encourage if we are to make our full contribution to the progress of mankind.

Mr. MORSE. Mr. Speaker, I rise to give strong support to H.R. 13304, the Gifted and Talented Children Educational Assistance Act.

The Nation has a responsibility, and indeed, a vested interest in developing the precious talents of our gifted children. Every child should be afforded the opportunity to develop to his highest potential, an objective to which most of our schools are not adequately geared at present.

If our Federal programs are to provide effective aid in reaching this goal, a careful review of existing programs will be required, recommendations for new programs will be necessary, State and local efforts will have to be strengthened and encouraged, and the number of personnel skilled in this field of teaching increased.

H.R. 13304, the bill before us today, provides for such progress. It is a significant step in meeting our obligations, and it has my enthusiastic support.

Our children are our greatest asset and our most valuable resource. They are our hope for the future. They deserve every chance we can give them and all the support we can provide.

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

Mr. PERKINS. Mr Speaker, we have no further requests for time on this side.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Kentucky that the House suspend the rules and pass the bill H.R. 13304.

The question was taken.

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

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

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

The question was taken; and there were—yeas 353, nays 0, not voting 78, as follows:

[Roll No. 203]

YEAS—353

Abbitt	Clausen, Don H.	Garmatz
Abernethy	Clawson, Del	Gaydos
Adair	Cleveland	Gettys
Adams	Cohelan	Giaimo
Addabbo	Collier	Gibbons
Alexander	Collins	Gilbert
Anderson, Calif.	Conable	Goldwater
Andrews, Ala.	Conte	Gonzalez
Andrews, N. Dak.	Conyers	Goodling
Annunzio	Corbett	Gray
Arends	Corman	Green, Oreg.
Ashbrook	Coughlin	Griffin
Ashley	Culver	Griffiths
Aspinall	Daddario	Gross
Ayres	Daniel, Va.	Grover
Baring	Daniels, N.J.	Gubser
Beall, Md.	Davis, Ga.	Gude
Belcher	Davis, Wis.	Hagan
Bell, Calif.	Dawson	Haley
Bennett	de la Garza	Hall
Betts	Dellenback	Hamilton
Bevill	Denney	Hammer-schmidt
Biaggi	Dent	Hanley
Bingham	Derwinski	Hansen, Idaho
Blackburn	Devine	Hansen, Wash.
Blanton	Dickinson	Harsha
Blatnik	Diggs	Harvey
Boland	Dingell	Hastings
Bolling	Donohue	Hawkins
Bow	Dorn	Hays
Brademas	Dowdy	Hechler, W. Va.
Brasco	Duncan	Heckler, Mass.
Bray	Dwyer	Helstoski
Brinkley	Eckhardt	Henderson
Brotzman	Edmondson	Hicks
Brown, Ohio	Eilberg	Hogan
Broyhill, N.C.	Erlenborn	Holifield
Broyhill, Va.	Esch	Horton
Buchanan	Eshleman	Hosmer
Burke, Fla.	Evans, Colo.	Hull
Burke, Mass.	Evins, Tenn.	Hungate
Burleson, Tex.	Fallon	Hunt
Burlison, Mo.	Farbstein	Hutchinson
Burton, Calif.	Feighan	Ichord
Bush	Findley	Jarman
Button	Fish	Johnson, Calif.
Byrne, Pa.	Fisher	Johnson, Pa.
Byrnes, Wis.	Flood	Jonas
Cabell	Flowers	Jones, Ala.
Caffery	Ford, Gerald R.	Jones, N.C.
Camp	Fountain	Jones, Tenn.
Carter	Fraser	Karth
Casey	Frelinghuysen	Kastenmeier
Cederberg	Friedel	Kazen
Chamberlain	Fulton, Pa.	Kee
Chisholm	Fulton, Tenn.	Keith
Clancy	Fuqua	Kleppe
Clark	Galifianakis	Koch
	Gallagher	Kuykendall
	Kyl	Olsen
	Kyros	O'Neal, Ga.
	Landrum	O'Neill, Mass.
	Langen	Ottinger
	Latta	Passman
	Lennon	Patman
	Lloyd	Patten
	Long, La.	Pepper
	Long, Md.	Perkins
	Lowenstein	Pettis
	Lukens	Philbin
	McCarthy	Pickle
	McClory	Pike
	McCloskey	Pirnie
	McClure	Poage
	McCulloch	Podell
	McDade	Poff
	McEwen	Pollock
	McFall	Preyer, N.C.
	McKneally	Price, Ill.
	McMillan	Price, Tex.
	Macdonald, Mass.	Pryor, Ark.
	MacGregor	Pucinski
	Madden	Purcell
	Mahon	Quie
	Mailliard	Quillen
	Marsh	Railsback
	Martin	Randall
	Matsunaga	Rarick
	May	Rees
	Mayne	Reid, Ill.
	Meeds	Reifel
	Melcher	Reuss
	Meskill	Rhodes
	Mikva	Roberts
	Miller, Calif.	Robison
	Miller, Ohio	Rodino
	Mills	Rogers, Colo.
	Minish	Rogers, Fla.
	Mink	Rooney, N.Y.
	Minshall	Rooney, Pa.
	Mize	Rostenkowski
	Mizell	Roth
	Monagan	Roudebush
	Montgomery	Roybal
	Morgan	Ruth
	Morse	Ryan
	Morton	St Germain
	Moss	Sandman
	Murphy, Ill.	Satterfield
	Murphy, N.Y.	Saylor
	Myers	Schadeberg
	Natcher	Scherle
	Nedzi	Scheuer
	Nichols	Schneebeli
	Nix	Schwengel
	Obey	Scott
	O'Hara	Sebelius
	O'Konski	Shipley
		Shriver
		Sikes
		Sisk
		Slack
		Smith, Calif.
		Smith, Iowa
		Smith, N.Y.
		Snyder
		Springer
		Stafford
		Staggers
		Stanton
		Steed
		Steiger, Ariz.
		Steiger, Wis.
		Stokes
		Stratton
		Stubblefield
		Stuckey
		Sullivan
		Symington
		Taft
		Talcott
		Teague, Calif.
		Teague, Tex.
		Thompson, Ga.
		Thompson, N.J.
		Thomson, Wis.
		Tiernan
		Udall
		Ullman
		Utt
		Van Deerlin
		Vander Jagt
		Vanik
		Waggonner
		Waldie
		Wampler
		Watson
		Watts
		Whalen
		White
		Whitehurst
		Whitten
		Widnall
		Wiggins
		Williams
		Winn
		Wold
		Wolff
		Wright
		Wyatt
		Wydler
		Wylie
		Wyman
		Yates
		Zablocki
		Zion
		Zwach

NAYS—0

NOT VOTING—78

Albert	Edwards, Calif.	Mathias
Anderson, Ill.	Edwards, La.	Michel
Anderson, Tenn.	Fascell	Mollohan
Barrett	Flynt	Moorhead
Berry	Foley	Mosher
Biester	Ford, William D.	Nelsen
Boggs	Foreman	Pelly
Brock	Frey	Powell
Brooks	Green, Pa.	Reid, N.Y.
Broomfield	Halpern	Riegle
Brown, Calif.	Hanna	Rivers
Brown, Mich.	Harrington	Rosenthal
Burton, Utah	Hathaway	Ruppe
Cahill	Hébert	St. Onge
Carey	Howard	Skubitz
Celler	Jacobs	Stephens
Chappell	King	Taylor
Clay	Kirwan	Tunney
Colmer	Kluczynski	Vigorito
Cowger	Landgrebe	Watkins
Cramer	Leggett	Weicker
Cunningham	Lipscomb	Whalley
Delaney	Lujan	Wilson, Bob
Dennis	McDonald, Mich.	Wilson, Charles H.
Downing	Mann	Yatron
Dulski		Young
Edwards, Ala.		

So (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Boggs with Mr. Anderson of Illinois.
Mr. Albert with Mr. Bob Wilson.
Mr. Hébert with Mr. Lipscomb.
Mr. St. Onge with Mr. Frey.
Mr. Celler with Mr. King.
Mr. Carey with Mr. McDonald of Michigan.

Mr. Barrett with Mr. Broomfield.
Mr. Kluczynski with Mr. Michel.
Mr. Rosenthal with Mr. Weicker.
Mr. Green of Pennsylvania with Mr. Biester.
Mr. Delaney with Mr. Halpern.
Mr. Dulski with Mr. Mosher.
Mr. Fascell with Mr. Berry.
Mr. Rivers with Mr. Cahill.
Mr. Young with Mr. Foreman.
Mr. Charles H. Wilson with Mr. Reid of New York.
Mr. Vigorito with Mr. Brown of Michigan.
Mr. Kirwan with Mr. Watkins.
Mr. Brooks with Mr. Brock.
Mr. Tunney with Mr. Mathias.
Mr. Chappell with Mr. Burton of Utah.
Mr. Taylor with Mr. Cowger.
Mr. Howard with Mr. Nelsen.
Mr. Leggett with Mr. Landgrebe.
Mr. William D. Ford with Mr. Riegle.
Mr. Hathaway with Mr. Lujan.
Mr. Flynt with Mr. Cramer.
Mr. Edwards of Louisiana with Mr. Whalley.
Mr. Colmer with Mr. Edwards of Alabama.
Mr. Moorhead with Mr. Cunningham.
Mr. Jacobs with Mr. Pelly.
Mr. Downing with Mr. Skubitz.
Mr. Foley with Mr. Ruppe.
Mr. Stephens with Mr. Edwards of California.
Mr. Hanna with Mr. Clay.
Mr. Mann with Mr. Dennis.
Mr. Anderson of Tennessee with Mr. Brown of California.
Mr. Mollohan with Mr. Yatron.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

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

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate disagrees to the amendments of the House to the bill (S. 2546) entitled "An act to authorize appropriations during the fiscal year 1970 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. RUSSELL, Mr. SYMINGTON, Mr. JACKSON, Mr. CANNON, Mr. MCINTYRE, Mrs. SMITH of Maine, Mr. THURMOND, Mr. TOWER, and Mr. DOMINICK to be the conferees on the part of the Senate.

CHILDREN WITH SPECIFIC LEARNING DISABILITIES ACT OF 1969

Mr. PERKINS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13310) to provide for special programs for children with specific learning disabilities.

The Clerk read as follows:

H.R. 13310

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Children With Specific Learning Disabilities Act of 1969".

SEC. 2. Title VI of the Elementary and Secondary Education Act of 1965 is amended—

(1) by redesignating part E of such title as part F and redesignating sections 611 through 615 as sections 612 through 616, respectively;

(2) by striking out "section 613" where it appears in section 604(j) and inserting "section 614"; and

(3) by inserting after part D of such title the following new part:

"PART E—SPECIAL PROGRAMS FOR CHILDREN WITH SPECIFIC LEARNING DISABILITIES

"RESEARCH, TRAINING, AND MODEL CENTERS

"SEC. 611. (a) The Commissioner is authorized to make grants to, and contracts with, institutions of higher education, State and local educational agencies, and other public and private educational and research agencies and organizations (except that no grant shall be made other than to a nonprofit agency or organization) in order to carry out a program of—

"(1) research and related activities, surveys, and demonstrations relating to the education of children with specific learning disabilities;

"(2) professional or advanced training for educational personnel who are teaching, or preparing to be teachers of, children with specific learning disabilities, or such training for persons who are, or preparing to be, supervisors and teachers of such personnel; and

"(3) establishing and operating model centers for the improvement of education of children with specific learning disabilities, which centers shall (A) provide testing and educational evaluation to identify children with specific learning disabilities who have been referred to such centers, (B) develop and conduct model programs designed to meet the special education needs of such children, and (C) assist appropriate educational agencies, organizations, and institutions in making such model programs available to other children with specific learning disabilities.

In making grants and contracts under this section the Commissioner shall give special consideration to applications which propose innovative and creative approaches to meeting the educational needs of children with specific learning disabilities, and those which emphasize the prevention and early identification of specific learning disabilities.

"(b) In making grants and contracts under this section, the Commissioner shall—

"(1) for the purposes of clause (2) of subsection (a), seek to achieve an equitable geographical distribution of training programs and trained personnel throughout the Nation;

"(2) require that to the extent consistent with the number and location of handicapped children enrolled in nonprofit private schools in the area to be served, whose educational needs are of the type which the program or project involved is to meet, provision has been made for the participation of such children; and

"(3) Federal funds made available under this section will not be commingled with State and local funds.

"(c) Payments pursuant to grants and contracts under this section shall be made in accordance with regulations promulgated by the Commissioner.

"(d) For the purpose of making grants and contracts under this section there are hereby authorized to be appropriated $6,000,000 for the fiscal year ending June 30, 1971, $12,000,000 for the fiscal year ending June 30, 1972, and $18,000,000 for the fiscal year ending June 3, 1973."

SEC. 3. (a) Section 615 of the Elementary and Secondary Education Act of 1965 (as so renumbered by section 2 of this Act) is amended (1) by inserting after "health impaired children" the following: ", and children with specific learning disabilities,", and (2) by adding at the end thereof the following new sentence: "For purposes of this title, the term 'children with specific learning disabilities' means children who have a disorder in one or more of the basic psychological processes involved in understanding or in using language, spoken or written, which disorder may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical calculations. Such disorders include such conditions as perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia, and developmental aphasia, but such term does not include children who have learning problems which are primarily the result of visual, hearings, or motor handicaps, of mental retardation, of emotional disturbance, or of environmental disadvantage."

(b) The first section of the Act of September 6, 1958 (20 U.S.C. 611), is amended by inserting after "health impaired children" the following: ", and children with specific learning disabilities as defined in section 615 of the Education of the Handicapped Act,".

(c) Section 302(a) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (20 U.S.C. 618) is amended by inserting after "health impaired children" the following: ", and children with specific learning disabilities as defined in section 615 of the Education of the Handicapped Act,".

(d) Section 4 of the Handicapped Children's Early Education Assistance Act (Public Law 90-538) is amended by inserting after "health-impaired children" the following: ", and children with specific learning disabilities as defined in section 615 of the Education of the Handicapped Act,".

(e) Section 2(4) of the Act of September 2, 1958 (42 U.S.C. 2492), is amended by inserting after "persons" the following: ", and children with specific learning disabilities as defined in section 615 of the Education of the Handicapped Act".

(f) Section 103(a)(5) of the Elementary and Secondary Education Act (20 U.S.C. 241c) is amended by inserting after "health impaired children" the following: ", and children with specific learning disabilities as defined in section 615 of this Act,".

(g) Section 108(6) of the Vocational Education Act of 1963 (20 U.S.C. 1248) is amended by inserting after "health impaired persons" the following: ", and children with specific learning disabilities as defined in section 615 of the Education of the Handicapped Act,".

The SPEAKER pro tempore. Is a second demanded?

Mr. QUIE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker, I yield myself 5 minutes.

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

Mr PERKINS. I yield to the distinguished gentleman from New York.

(Mr. PODELL asked and was given permission to proceed out of the regular order.)

Mr. PODELL. Mr. Speaker, for many

years the Empire State, New York State, has led the way for progress in America.

Once again, today—laughed at, and sometimes denigrated, the amazing New York Mets have won the National League pennant in the final game of the series with the Braves in a 7–to–5 clincher.

Mr. Speaker, very soon we are going to meet Baltimore and we are going to do the same to Baltimore—this time four in a row.

We extend our congratulations to Manager Gil Hodges and the entire team and staff.

It is a proud day for New York.

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

Mr. PERKINS. I yield to the gentleman.

Mr. GILBERT. I thank my distinguished colleague from Kentucky and my distinguished colleague, the gentleman from New York.

Mr. Speaker, may I say, representing New York, particularly the Bronx, the home of champions, although lately it has not been the home of champions—but I am delighted to join my colleague from Brooklyn, the gentleman from New York (Mr. PODELL), in congratulating the New York Mets on their overwhelming victory—three in a row.

This is the American story of Cinderella—the modern Cinderella story. Today it has reached its fruition by the New York Mets winning three games in a row.

I want to congratulate Gil Hodges, the management and the owners of the New York Mets, and all the players and all the fans who have contributed so greatly to this victory. I join with my colleague, the gentleman from New York (Mr. PODELL) particularly in saying, with no offense to my colleagues from Maryland or Baltimore, that we are going to sweep the series—four in a row.

Mr. PERKINS. I yield to the distinguished gentleman from New York (Mr. SCHEUER).

Mr. SCHEUER. Mr. Speaker, even though in the heartland of my congressional district one can find the Yankee Stadium, I join with my colleague from Brooklyn in congratulating every member of the Mets family and assuring them of the joy and pride they have brought to all New Yorkers—Yank fans included.

Mr. PERKINS. Mr. Speaker, I yield to the gentleman from New Jersey (Mr. THOMPSON).

Mr. THOMPSON of New Jersey. Mr. Speaker, I congratulate the gentleman from New York and all of those who are Mets rooters.

Mr. PERKINS. Mr. Speaker, I yield to the gentleman from Illinois (Mr. PUCINSKI).

Mr. PUCINSKI. Mr. Speaker, coming from Chicago, I point out that our Cubs were supposed to win this pennant. I want to join in congratulating our colleagues from New York for this spectacular victory. I am sure that the Cubs "Bleacher Bums" and all the other great fans in Chicago are good sports and would certainly join in this message of congratulations. We do not know quite what happened to the Cubs, but I must say, with all due respect to America's No. 1 baseball fan, the gentleman in the White House, things began going bad for us when he picked the Cubs several weeks ago to win the pennant. It was immediately after the President picked our Cubs that we started our downward plunge. Now, I am not by any stretch of the imagination blaming the President but in retrospect, I now wish that he had picked the Mets.

Mr. PERKINS. I yield to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr Speaker, I join with my colleague, the gentleman from New York (Mr. PODELL). As a Representative from north Bronx, I would like to observe that it has been a long time since anything really good has happened in the city of New York, which has been "down in the dumps." It was necessary for baseball to produce an electric effect on the city. A wave of euphoria has swept the Mets' supporters, and the people of the city as a result of winning the National League championship. Hopefully they will forget their troubles for a little while, at least.

We owe the Mets a great deal for what they have accomplished.

Mr. PERKINS. Mr. Speaker, I yield to the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Mr. Speaker, I join with my colleague from Brooklyn. I am privileged to represent the district including the county of Queens, from which the Mets fly. I was a little reluctant to take the floor because I know of the many requests for tickets that will be forthcoming. We hope we can supply them.

Mr. PERKINS. Mr. Speaker, I yield to the gentleman from Texas (Mr. TEAGUE).

Mr. TEAGUE of Texas. Mr. Speaker, I would like to observe that the star of the game, the pitcher of the Mets, was a country boy from Texas by the name of Nolon Ryan. Texas always wants to help New York.

Mr. PERKINS. Mr. Speaker, I yield to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Speaker, I might add to the comments of the gentleman from Texas that a young man by the name of Ken Boswell is from Austin, Tex.; he played Little League and Babe Ruth ball with my stepson. Ken is one of the real heroes of these series. I am glad to say to my friends from New York, "You are right for a change," because a couple of Texans helped make it so. Congratulations.

Mr. PERKINS. Mr. Speaker, I yield to the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Speaker, I thank the gentleman for yielding. In the spirit of the moment, I would like to congratulate the Mets. But I think that before you make any predictions about what will happen with Baltimore, I would like you to remember that Mr. FRIEDEL will have a bill out of his committee in a day or so and that will take care of the situation.

Mr. PERKINS. Mr. Speaker, I yield myself 3 additional minutes.

Mr. Speaker, H.R. 13310, which we bring to the floor today, is designed to cover a serious omission in those programs which the Congress has authorized with respect to the special education of handicapped children. The bill deals with a special class of children which experts in the field have labeled for want of a better term, "children with learning disabilities." The legislation authorizes a 3-year program of research, demonstration, advanced training for educational personnel and model centers with diagnostic capabilities, remedial programs, and supportive services to educational agencies in meeting the special educational needs of children with specific learning disabilities. Authorizations for the 3-year program are $6 million for the fiscal year 1971, $12 million for the fiscal year 1972, and $18 million for the fiscal year 1973.

Following the 3-year program it is contemplated that the research training and demonstration activities will be phased in with existing authorizations for program support for handicapped children. In this respect, the bill enlarges the definition of handicapped children now contained in the other acts, particularly title VI of the Elementary and Secondary Education Act, dealing with handicapped children.

When it was first proposed to me that our concept of the education of handicapped children needed further amplification to encompass children with learning disabilities, I was skeptical. Skeptical because a handicapped child was obviously handicapped and our definitions in title VI of the Elementary and Secondary Education Act, as well as other legislation dealing with their educational needs, was extremely broad—to my way of thinking—and encompassed every conceivable handicap which posed special teaching and learning problems. I think perhaps you can see the basis for my skepticism in the definition for handicapped children as now used in title VI. This definition is as follows:

> The term "handicapped children" includes mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children, and children with specific learning disabilities, who by reason thereof require special education and related services.

Under existing law, effective educational programs are being provided for the child with an obvious handicap, the crippled, blind, deaf, and mentally retarded. Appropriations last fiscal year for these programs amounted to $79,795,000 which was roughly a third of the authorization.

The legislation that we propose today would focus attention on the sizable number of children estimated conservatively at 1,500,000 children or roughly 3 percent of the school population who are perhaps as handicapped but whose handicaps do not manifest themselves in the usual manner. To the layman and to the untrained teacher, a child may be labeled "dumb" or "lazy" or extremely uncooperative or hostile and children with these characteristics were not thought to have any special handicap, but, nevertheless, the normal classroom through which the child progressed or marked time failed to provide the necessary learning experience for the educational growth and development of the child.

As in other disciplines, technology and knowledge in education has expanded and developed to the point where these characteristics in children which impair their ability to progress normally in school can be definitely associated with physiological cause and under trained teachers and specialists such children who are often times of normal or above normal intelligence can be taught to overcome their handicaps and can learn.

Thus, Dr. James J. Gallagher, Associate Commissioner, Bureau of Education for the Handicapped, U.S. Office of Education, in the course of our hearings on this legislation stated:

While the term "specific learning disabilities" is relatively new, the problems it represents are not. When we knew little about medicine and pathology, a child was either sick or healthy. The more we learned, the more we subdivided "sick" into a multitude of specific diseases and disorders.

Similarly, the more we learn about children who are educationally ill, the more we can identify specific problems. Thus, a child who in past times was labeled "dumb" or "lazy" now becomes identified as a child with specific needs requiring specific treatment.

There is no question that the problems of children with learning disabilities are among the most severe problems we have faced in the field of education. It has been conservatively estimated that from 1 to 3 percent of our Nation's school population suffers from one or more specific learning disabilities serious enough to require special educational intervention. In round numbers this is a range of from 500,000 to almost 1,500,000 children.

During the course of the same hearings, Dr. Harold J. McGrady, Jr., director, program in learning disabilities, Northwestern University, stated:

The learning disability child needs a program different from the disadvantaged.

He is not deaf, blind, hard of hearing, or partially sighted. These are varying types of sensory deprivations. He is not emotionally disturbed as the etiology of his disorder. We have often overstressed the etiological base being an emotional disturbance in children having learning disabilities.

He is not primarily crippled or with motor disorder. Again, children with severe motor disorders may also have accompanying learning disability.

Diagnosis and identification of learning disabilities depend on the exclusion of these above factors. Because these other factors also cause problems of learning, they are also handicapping conditions. But they must be treated by a combination of special methods appropriate only to that particular disorder.

Children with learning disabilities must be treated differently from these other combinations.

Although some techniques used for the disorders mentioned may be applicable at some times, the management of learning disabilities children is unique, has its own principles separate from other handicapping conditions. The retarded child must be taught to live within his intellectual limits and is usually taught at a slower rate than normal.

The disadvantaged primarily needs to be exposed to experiences of which he has been deprived.

The emotionally disturbed needs counseling and/or psychiatric treatment rather than educational modifications per se.

The sensorially deprived must learn to compensate for a lost channel of input of information and the crippled must relearn motor skills through various types of therapy and compensate for those motor activities which he will not be able to develop.

But the learning disabilities child is different from all of these. He is a child with normal or above normal potential. It is the goal of education for learning disabilities children to return them to regular classes. The major goal is to teach them how to learn. They must learn how to learn. Most 'normal' children learn by almost any method of teaching.

For example, most children will learn to read regardless of the method used to teach reading.

Thus, they will perform adequately in school and society if they are exposed to the normal variations in curriculum and teaching methodology found in American schools.

This is not true of the learning disabilities child. He will not learn properly, except by the particular combination of techniques which correspond to the nature of his learning system, for example, his psychoneurological makeup.

These techniques are not a part of the training for regular teachers and it is very difficult for regular teachers to deal with these particular children.

Mr. Speaker, I believe that this legislation will enable us to deal effectively with learning difficulties of children which exist in almost every classroom in our Nation's schools. Learning difficulties which are now not even recognized properly by classroom personnel, but learning problems which are creating problems for society. We need to deepen our knowledge of the problems of learning disabilities and we need to disseminate our present knowledge to the teaching personnel in schools throughout the Nation. I believe that we can do this through the modest amount of funds authorized by this bill.

Mr. QUIE. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise today in support of H.R. 13310, the Children with Learning Disabilities Act of 1969. Though new to the law, children with learning disabilities are not a new phenomena. We have all been acquainted at one time or another with a child who apparently could not learn. We have all known the child who seems to have normal intellectual and physical capabilities, and yet, for some unknown reason, has failed to learn to read or write effectively. Often after months and years of testing, the parents are left with information that consists of little more than knowing "what their child is not." He is not mentally retarded. He is not physically handicapped. He is not emotionally disturbed. Such information may be comforting, but it tells little about what he is and what needs to be done.

The paradox is that after years of repeated failures in the educational system, these children often develop the very symptoms of "what they are not." They may act mentally retarded or emotionally disturbed and therefore are entitled to special education services. However, such services are not directed toward meeting these children's primary problems.

Mr. Speaker, we have an opportunity today to give our support to a group of children who are handicapped by what has been termed the "invisible handicap." These are children who are not blind, deaf, crippled, or mentally retarded as we generally perceive such disabilities. They are children with learning disabilities who because they lack visible handicaps have had limited special education services provided to them by their school districts, State education agencies, or the Federal Government. To date, all they have attained are rather nebulous labels such as brain-injured, aphasic, dyslexic, perceptually handicapped, and so forth. What these children need is special education assistance—an opportunity we open to them today.

Over the past months probably most of you have heard from many of your constituents who describe the problems of their own learning disabled child or the learning disabled child in their schools and communities. The mother and father awaken each morning to the sad fact that few, if any, provisions have been made to educate their children properly. A few private schools are scattered around the country, most costing between $7,000 and $10,000 a year for the child in residence. Only a handful of public schools in the United States include special classes for these children. In view of the fact that an estimated 1 to 3 percent of all children of school age in this country have learning disabilities, you can quickly see how many of our youth are being neglected.

We have heard in hearings descriptions of how these children's initial learning problems have, because of consistent failure, been compounded by additional disabilities. We have had information presented to us about the possible relationship of learning disabilities to potential juvenile delinquency. A 1965 survey of 277,649 juvenile arrests in California found approximately 20 percent possessed characteristics typical of the learning disabled child. It is apparent that a child, who through no fault of his own has not learned to read by the fourth or fifth grade and for whom the education system provides little hope, will become a disruptive element in the classroom and the school.

In 1966, after years of hearing the problems of the handicapped before its committees, the Congress created, over administration opposition, the Bureau of Education for the Handicapped. At that time we also established the National Advisory Committee on Handicapped Children to serve as an additional resource to us. These two bodies have greatly aided us in our efforts to make educational opportunities for all handicapped children a reality.

For years one of the major problems in developing legislation for the learning disabled has been the inability to develop a realistic definition to clearly identify it. The National Advisory Committee on Handicapped Children came to grips with this problem and presented a definition and a solution which was hailed and adopted by all. The definition and their recommendations are contained within the legislation before us.

In addition, since the creation of the Bureau of Education for the Handicapped, I have had an opportunity to observe through personal visitations, reactions from my constituents, and from testimony before our committee, significant progress in achieving our goal of

improved education. Some of you may ask why there is a need for another piece of legislation for education of the handicapped. The need for such legislation in Congress and in State legislatures will exist until the executive branches of Government are willing to act in behalf of these children. If handicapped children are ever to receive equality of educational opportunity, then the leadership must continue to be exerted in the legislative halls.

The bill before us today authorized a temporary program of research, teacher training, and model centers for the education of these children. It is our intention that this separate temporary authorization serve as a means of initiating programs which would be funded only for 3 fiscal years. After fiscal year 1973, it is our intent that funding these programs should come from Federal sources and from State and local agencies without earmarking.

In addition, the bill amends the eight major Federal laws concerning the education of the handicapped to make children with specific learning disabilities eligible under the permanent programs. In adding the term "specific learning disabilities" to existing programs, however, we on the committee do not suggest a cutback of any programs for other handicapped children.

Today we have sufficient knowledge and understanding about the problems of the learning disabled, and yet tens of thousands of children fill long waiting lists for services which may be many years in getting to them. The key, I believe, to helping these children is the immediacy of diagnosing and educating them. Unlike the mentally retarded, with whom they are frequently placed, children with learning disabilities can, when given proper special education, return to their regular grade level in school, become assets to their community and to society.

The legislation before us today is a direct recommendation of the National Advisory Committee on Handicapped Children. We lend our support to the parents, educators, medical leaders, psychologists, and others who are joining forces to attack the problems of these children. I am convinced that this medical assistance will give hope to learning disabled children and their parents.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. QUIE. Mr. Speaker, I yield myself 3 additional minutes.

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

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

Mr. ERLENBORN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am pleased today to have this opportunity to support the passage of H.R. 13310, the Children With Learning Disabilities Act of 1969. For the past decade the Congress has provided leadership to help improve educational opportunities for handicapped children. We have made a wide range of services available to children suffering varying mental, physical, and emotional disabilities. The legislation before us recognizes that there is now another handicapped child in need of special educational services—the child with specific learning disabilities. This child is not physically, mentally, or emotionally handicapped although he suffers from consistent failures in academic performance. He has traditionally been the child who has fallen through the cracks because he demonstrates no obvious abnormalities. While the child with specific learning disabilities may be new as a category of handicapping condition he has always existed as that slow, or even stubborn and uncooperative child. For years he was the bane of every classroom teacher. The thing that is most frustrating about this child is that while he may have difficulty reading or writing he exhibits average or above average intelligence. How frustrating it must be to the parents that know their child can achieve but continues to fail.

Over the past 10 years a growing body of information has been developed concerning the characteristics of the learning disabled child. However, the efforts to provide adequate services have been clouded by conflicts within the professions as to adequate definition. Those children have been denied adequate educational opportunity while we have attempted to define their problem, although I feel assured that most classroom teachers and parents could have identified many of these children.

As a result of these varied attempts to define the problem, States have used varying definitions. The child to whom we are addressing ourselves today may be brain injured in Pennsylvania, educationally handicapped in Colorado, perceptually handicapped in Illinois, and language handicapped in Texas. In seeking guidance as to how we can best come to grips with this definition problem, we relied heavily on the recommendations of the agency we in the Congress created to serve as our advisers, the National Advisory Committee on Handicapped Children. It is their broad, yet specific, definition which we have incorporated into the language of the legislation. The committee added the term "specific" to learning disabilities to make it clear that we are addressing ourselves to a unique group of children as opposed to any children who are not doing well in school—although they, too, need and deserve our attention. It is my belief that the provision of this definition and the recognition of learning disabilities as a legitimate handicap is one of the major highlights of this legislation and hopefully will provide direction to State and local education agencies in their efforts to come to grips with the problem.

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

Mr. QUIE. I yield to the ranking minority member of our Commitee on Education and Labor.

Mr. AYRES. I thank the gentleman for yielding.

Mr. Speaker, today I urge you to join in the passage of H.R. 13310, the Children With Learning Disabilities Act of 1969. These handicapped children are not only seriously limited in our technological society, but are also a financial loss to our society when inappropriately educated. The child who has the potential to learn but who fails to learn to read, write or calculate because of specific learning deficits may well become delinquent, socially maladjusted, or at the least, underemployed. We cannot afford to let this negligent and destructive situation continue throughout another generation of youth. Appropriate total educational programs, based on thorough diagnostic evaluation, must be developed and implemented throughout the Nation's educational system.

Up to now the experiences of learning disabled children and their families have been devastating. Across the country two typical patterns have emerged. Many parents have been told initially that their child is just slow or immature and that he will grow out of it. Other parents contact public agencies which serve the mentally retarded, the emotionally disturbed, or the vision or hearing impaired and are rejected because the child does not fit these handicapped classifications. The school may assign the learning disabled child to a remedial program or a slow track, but all too often it must tell the parents that there is no program for their child. This forces the families to seek help from private sources and thus bear the costs themselves. Families seeking answers have often consulted many professional disciplines.

Various explanations and labels are offered to the parents, frequently with confusion and even worse, conflicting recommendations for treatment. I am not suggesting that adequate programs do not exist. It was clearly demonstrated in hearings before our committee that excellent programs in both the public and private sector do exist; however, there is a limited number of them and the population of children to be served is very large.

The bill before us provides for model centers to operate for 3 years and demonstrate evaluative and educational techniques in an operational setting. These centers will vary according to local educational needs throughout the Nation. While the basic problems of children with learning disabilities may be generally consistent, the delivery of services to them may vary greatly between urban and rural communities. The model center concept is not new to our efforts in education as past efforts of the Congress in behalf of the handicapped have shown. The precedents for giving preferential attention to specific handicapped groups are clear, and in providing new authorities today we seek to give this population an opportunity to develop some program expertise without immediately having to compete with other handicapped programs for funds. The intent of our actions here today should be clear, however, that this separate authority be temporary and not extend beyond the 3 fiscal years authorized by the bill.

The Children With Learning Disabilities Act of 1969 has been a long time in development. It represents the efforts of many people throughout the Nation who are concerned about the problems these children face. The bill has the support of parents, educators, and professionals in many fields related to the handicapped.

For example, medical specialists have indicated that their efforts in identifying the problems of children and assisting their families are continually undermined when educational programs appropriate to the needs of the children are not available. Furthermore, general educators are greatly concerned about the number of children in their classrooms who are not benefitting from programs now provided. Special educators are understandably concerned that, although their research and knowledge have begun to provide answers to the dilemma, there is still little or no recourse for action. And, finally, parents who know their children have the ability to learn are continually frustrated by the fact that our eductional system cannot provide the resources to make specialized learning possible. The bill before us will not solve the problems of the learning disabled child, for this job will not be completed until these children receive the education to which they are entitled, a responsibility that lies with our State and local communities. However, we can begin today by providing them with the assistance they must have to tackle this task.

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

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

Mr. HALL. I appreciate the gentleman's yielding. I rise to ask for information.

Did the gentleman define dyslexia, as used in the bill?

Mr. QUIE. I cannot give a medical definition of dyslexia, but only as a layman. As I understand it, one of the symptoms of dyslexia is when a child does such things as seeing letters backward, a "D" and "B" backward. This causes confusion. It is a medical difficulty when he sees things backward from the way normal people do. This makes it impossible for him to learn to read. He really does not properly see the things his teacher is trying to teach him.

Mr. HALL. Is this a new term coined in connection with specific disabilities?

Mr. QUIE. It is not new this year. I have been reading about it now for about 4 years.

Mr. HALL. I am familiar with dyslalia and dyslogia and others, but I never heard this term. I am truly asking for information.

The word is not in the largest dictionary.

Mr. QUIE. That is interesting. Prior to 4 years ago I had never heard of it. Then I learned of it because of some children who are considered to be dyslexic at the Mayo Clinic.

Mr. HALL. I thank the gentleman.

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

Mr. QUIE. Mr. Speaker, I yield myself 1 additional minute, and I yield to the gentleman from Oregon (Mr. DELLENBACK).

Mr. DELLENBACK. Mr. Speaker, I thank the gentleman from Minnesota for yielding to me. I want to join the gentleman in the well in support of this legislation.

Mr. Speaker, Congress has already demonstrated its concern for handicapped children by passing several laws to provide Federal assistance for their special educational needs. Unfortunately, at the present time, these laws do not extend to provide the assistance desperately needed for the education of children with specific learning disabilities.

Congress can help fill this void by passing H.R. 13310, the Children With Specific Learning Disabilities Act of 1969, which I am proud to cosponsor. It is essential that programs authorized by this act get off to as strong a beginning as possible. To achieve this end, the bill provides a separate authorization for children with specific learning disabilities for the first 3 years of operation. But the legislation also meets long-range goals of administrative consolidation by amending existing laws for the education of handicapped children to include children with specific learning disabilities.

These features of H.R. 13310 reflect the bipartisan efforts that produced the bill. I believe the chairman of the General Subcommittee on Education (Mr. PUCINSKI) merits special commendation for his leadership in this legislation. He recognized a need and introduced the original bill; and then worked hard with those of us on the subcommittee from both sides of the aisle to produce the bill that is before us today.

In my opinion, H.R. 13310 now deserves strong bipartisan support from the entire House. The funds authorized by this legislation seem a most reasonable price to pay for programs that can help make possible a productive future for hundreds of children afflicted with learning disabilities.

Mr. QUIE. Mr. Speaker, I now yield to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the gentleman from Minnesota yielding to me and wish to join with him in support of this legislation.

Mr. Speaker, Federal involvement in elementary and secondary education is just over 10 years old. You will recall the concern with which Congress entered into this activity, and while problems still exist, we recognize the success our efforts have had in improving the education of our children. Our promise, and indeed, our initial premise of excellence of public education for every child in America, should be sufficient justification for support of H.R. 13310, the Children With Learning Disabilities Act of 1969.

The bill is presented not as one more shot in the arm, but as a major link in the structure of enabling legislation for improving educational opportunity for handicapped children.

While we have gone on record in the support of special education for the blind and deaf, for the mentally retarded, and the emotionally disturbed, we have neglected to offer assistance to children whose primary handicap lies in the learning process. One result is that these children are excluded from the services of education; another is that they are often included where they do not belong. The net result is a weakening of the educational programs for all children, and a reduction in the maximum potential of children with specific learning disabilities.

The Children With Learning Disabilities Act brings new vision, new commitment, and new opportunity so that institutions, States, school systems, and individuals will be encouraged to move ahead forcefully to help learning handicapped children in every community in America.

First, the bill alters existing legislation in such a way that all children with learning handicaps are identified as important and of special concern to the Federal Government through the U.S. Office of Education's Bureau of Education for the Handicapped.

Literally thousands of children with specific learning disabilities have been unable to receive assistance from special education provisions or from services that only grow from a solid research and training foundation because their handicap has not been identified in Federal legislation. With terminology giving clear visibility to these children in Federal law, State, and local governmental bodies will be given greater encouragement to meet their obligations to these children.

Second, H.R. 13310 fulfills the promise of the Federal Government to lead the way in innovative, yet budget conscious, programing. By establishing a high priority for new efforts to assist young children with specific learning disabilities, the Congress may be able to save the inevitable burden of larger expenditures for rehabilitation, delinquency, unemployment, and reeducation. For it is increasingly clear, as the testimony has pointed out, that failing learners of good or superior ability are disproportionately represented among the jobless, the criminal, the institutionalized, and the occupational misfits. The child with learning disabilities has too often become the maladjusted young man on whom our tax dollars must be spent rather than the young man who produces his share in a competitive, democratic environment.

The assistance proposed is directed toward the most critical needs and is concerned especially with activities most appropriately assumed by the Federal Government: the stimulation of training programs in institutions of higher learning to disseminate knowledge and techniques already known; the support of research to generate new knowledge and procedures not yet validated; and the creation of model service programs to demonstrate the most appropriate and imaginative services in addition to securing continuing information regarding costs and benefits. Only a bill authorizing new funds can accomplish these money saving, preventive, leadership steps. Only a Federal bill can accomplish the objectives suggested while leaving to the States the major responsibility for utilizing and supporting the work highlighted by the Federal Government.

The Children With Learning Disabilities Act of 1969 may provide the turning point in the life of a child who is now misunderstood and considered unintelligent, unattentive, or unmotivated.

Through this legislation, more teachers can be trained, research developed, and services rendered which will recognize and nurture the unique abilities and disabilities that are often present in the same individual.

(Mr. REID of New York (at the request of Mr. STEIGER of Wisconsin) was granted permission to extend his remarks at this point in the RECORD.)

Mr. REID of New York. Mr. Speaker, I am pleased to have this opportunity to support the passage of H.R. 13310, the Children With Learning Disabilities Act of 1969, of which I am a sponsor.

Over the years a growing body of information has been developed concerning the characteristics of the learning disabled child. However, the efforts to provide comprehensive services have been clouded by conflicts within the professions as to adequate definition. These children have been denied adequate educational opportunities while we have attempted to define their problem, and as a result of this uncertainty different States have used different terminology regarding learning disabilities. The child to whom we are addressing ourselves today may be brain injured in Pennsylvania, educationally handicapped in Colorado, perceptually handicapped in Illinois, and language handicapped in Texas.

In seeking guidance as to how we can best come to grips with this definition problem, we have relied heavily on the recommendations of the agency we in the Congress created to serve as our advisers, the National Advisory Committee on Handicapped Children. It is their broad, but at the same time specific, definition which we have incorporated into the language of the legislation. The committee, on hearing expert testimony, added the term "specific" to learning disabilities to make it clear that we are addressing ourselves to a unique group of children.

To permit the exclusion of these children from Federal programs for the education of the handicapped to continue for even 1 additional day would not only be unfair, it would be inhuman. We can right this wrong by broadening the definition of the handicapped to include children with specific learning disabilities. However, we must extend our efforts further if our error of the past is to be properly remedied.

The solution lies in the passage of H.R. 13310, which proposes additional programs to overcome this lag in services. The establishment of model centers will provide stimulation to State and local school systems to develop diagnostic and educational services. The provision of Federal moneys to support needed research will enable educators to examine more carefully the unique learning nature of children with specific learning disabilities and Federal support for the development of programs of study to train personnel in the techniques necessary to educate these children will help close the gap between services needed and manpower available.

Special educators have reached the point where they feel that to proceed any further without Federal support for their efforts in learning disabilities would be a shameful waste of their knowledge and skills. We must acknowledge the plight of learning disabled children in our society and offer to them the help they so desperately need. We can do this by supporting H.R. 13310, the Children With Learning Disabilities Act of 1969.

Mr. PERKINS. Mr. Speaker, I now yield 5 minutes to the distinguished gentleman from Illinois (Mr. PUCINSKI), who is the chairman of the subcommittee which considered this legislation and who has been very persevering in pursuing this matter.

Mr. BURLISON of Missouri. Mr. Speaker, will the gentleman yield?

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

Mr. BURLISON of Missouri. Mr. Speaker, the primary reason for this legislation—H.R. 13310—is that children with specific learning disabilities are not clearly included under the present Federal laws for the education of the handicapped. This legislation seeks to redress this inequity by clarifying the definition of handicapped children to encompass the learning disabled.

This inequity results from the recent recognition of these children as a separate category of handicapped children. For example, in 1965 when title VI of the Elementary and Secondary Education Act was written as the basic Federal program for the education of all handicapped children, these children were not specified because the best available educational opinions had not as yet defined this separate category.

Although children with specific learning disabilities are now recognized as possessing a particular type of handicap, there is a great need for additional educational and medical research. Since frequently the causes of these disorders are not even now medically determinable, new medical research is needed on causation.

In the meantime, however, these children, who have been conservatively estimated to be from 1 to 3 percent of our school population, cannot be ignored. Educational research and model programs must be initiated in order to discover the most effective means of assisting these children in school, since that is where their disabilities most obviously hamper them.

This legislation would amend the eight major Federal laws concerning the education of the handicapped to make children with specific learning disabilities eligible under the permanent programs. In adding the term "specific learning disabilities" to existing programs, however, it is not intended to cut back on any programs for other handicapped children which are now authorized. At the same time, we should not decrease Federal support for any learning disability projects now being funded under present law.

This legislation would also authorize a temporary program of research, teacher training, and model centers for the education of these children.

Since there is this great need for educational programs for the handicapped presently included under the permanent programs and little likelihood of greatly increased Federal appropriations for these programs, a separate, temporary authorization is needed to encourage the development of new programs for children with specific learning disabilities.

This legislation would authorize a teacher training program because specially trained teachers are essential if programs for the learning disabled are to be successful. Yet in 1968 only 20 colleges offered courses on the education of the learning disabled child. This legislation is intended to encourage many more colleges to begin training teachers for the learning disabled. This legislation would also authorize model programs which would demonstrate what is presently known about the special problems involved in teaching children with specific learning disabilities. I agree with the committee as above set out and strongly urge adoption of this legislation as encompassed in H.R. 13310.

Mr. PUCINSKI. Mr. Speaker, H.R. 13310—the Children With Learning Disabilities Act of 1969—corrects an inequity in existing legislation.

The bill before us permits children with specific learning disabilities that are not clearly included under present Federal laws for the education of the handicapped to be included with other handicapped children under title VI of the Elementary and Secondary Education Act of 1965.

At present there is no clear legislative language that makes provision for the recently defined area of specific learning disabilities.

In a definition written by a regional educational laboratory—

A child who has an individual learning disability is one who, according to present measures of intelligence, should be capable of learning in a typical classroom situation. They are children of average or above intelligence who have problems in relating, mediating, or processing school-related instruction in order to produce appropriate school-related achievement.

H.R. 13310 defines children with specific learning disabilities as those children who have a disorder in one or more of the basic psychological processes involved in understanding or in using language, spoken or written, which disorder may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical calculations.

Such disorders include conditions such as perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia, and development aspasia.

Such terms do not include children who have learning problems which are primarily the result of visual, hearing, or motor handicaps, or mental retardation, of emotional disturbance, or of environmental disadvantage.

During consideration of this legislation, our committee learned that although there are isolated demonstration projects in this field, there is a compelling, obvious, and substantial need for improving and expanding the present facilities for treatment of this educational phenomenon.

The National Advisory Committee on Handicapped Children has estimated that children with learning disabilities comprise about 1 to 3 percent of the elementary and secondary school population in America.

Our committee heard from other organizations who work with the physiological and neurological handicaps in children who estimate that learning disabled children may comprise as much as 6 percent of our present school population.

The present difficulties in detecting, diagnosing, and treating the various forms of learning disabilities in children account for the variation in making reliable estimates as to their extent.

In their first annual report to the Senate Labor and Public Welfare Committee, the National Advisory Committee on Handicapped Children stressed that special learning disabilities are one of four issues that are current and crucial at this time. It is a field that needs greater attention and understanding if these children are to be helped.

Learning disabled children are usually characterized by a significant discrepancy of 2 or more years between the level where a child is expected to be functioning and the level where he is actually found to be functioning.

Learning disabilities fall into three main categories:

First, perceptual-motor problems;

Second, language and communication disorders; and

Third, academic subject disabilities, such as arithmetic computation and spelling.

These are for all practical purposes who appear to be perfectly normal youngsters and whose handicap often goes totally undetected through conventional means.

These problems may evidence themselves in such behavior as: an inability to transfer single letters into whole words; a reversal of letters and numbers; an impaired judgment of distances and space; poor spatial orientation; an inability to distinguish between a rectangular object or a round one, and so forth.

Other disabilities—singular or multiple—may occur in the processes of memory, thinking, attention, coordination, speech and sight, and an inability to express ideas verbally or with motor coordination.

At the present time, there are three general types of educational programs being used in isolated school districts across the country which are designed to help children with learning disabilities. These programs are:

First. Resource classrooms—which assign a single teacher to a group or groups of children for intensive work in subjects where the children have the greatest difficulties. For example, during a reading period the children who need special assistance would go to their resource classroom for specific work with language and reading disorders.

Second. Self-contained classrooms—which separate children who are physically handicapped and/or learning disabled into separate groups and keep them apart from children without handicapping conditions. These classes are usually for children with moderate and severe educational problems and have the disadvantage of removing children completely from association in school with their peers.

Third. Itinerant teachers are utilized largely by rural school districts. Instead of the children coming to the teacher, as in the resource classroom, the teacher travels from school to school to work with selected children during a specific period of time.

These programs do assist certain selected children in random school districts. But our committee learned that between 500,000 and 3 million children are not being helped through these—or any—programs.

This is the last of our bills dealing with handicapped children. The fiscal 1968 annual report of the Bureau of the Handicapped listed the numbers of physically handicapped children in our elementary and secondary schools. They amount to about 5 million children:

1. Mentally retarded	1,500,000
2. Hearing impaired or deaf	300,000
3. Speech impaired	2,100,000
4. Blind or visually impaired	75,000
5. Emotionally disturbed	800,000
6. Crippled	300,000

In addition to these children, there are approximately 90,000 other children with multiple handicaps, only 36 percent of whom are receiving assistance under federally funded programs.

Added to these children with severe physical or mental handicaps, the Department of Health, Education, and Welfare conservatively estimates a figure of 1.5 million children with learning disabilities in America's classrooms, bringing to more than 6.5 million the number of children who require special help out of a total school population of about 50 million.

In my own State of Illinois there are now 140,000 handicapped children in special education programs with 5,700 specially trained teachers working with them—at a cost to our State of $53 million. Illinois estimates, however, that an additional 120,000 children are not being served—including learning disabled children—because they are even more seriously handicapped and it would require an additional 13,000 teachers to help them, as well as $65 million in additional funds.

I wish at this point to stress that this legislation before us provides no grand or exorbitant expenditure of funds. The original bill we considered in committee provided for a 5-year program that authorized $12 million for the first year, $20 million for the second year, and $31 million for each of the remaining 3 years, for a total of $125 million over a 5-year span.

We cut this authorization substantially and reduced the program to a 3-year program providing for $6 million the first year, $12 million the second, and $18 million the third—a total of $36 million in all.

It is not enough merely to incorporate children with specific learning disabilities into the language of title VI. To be realistic, we must provide the additional funds their inclusion will require if the children who are presently being assisted are to continue to receive help through special programs.

This bill is designed to get model centers, teacher training, and demonstration programs underway in the field of learning disabilities. At the end of 3 years, all future funds would become part of the budget request for the Bureau of the Handicapped.

I should like to include with my remarks an excellent article on this entire subject which was published recently in the Washington Post. The article follows:

CHALLENGE IN TEACHING: WHEN THEY JUST DO NOT SEEM TO LEARN

"SPECIAL LEARNING DISABILITIES"—EVEN SOME BRIGHT KIDS SUFFER

(By Eric Wentworth)

"No, Richard, *this* is your *right* hand and *that* is your *left* hand . . . No, Melissa, "Sit" is spelled "S-I-T," not "T-I-S, . . . Look again, Jeffrey, *this* letter is a "p" and *that* letter is a "q" . . . Once more, Heather, here are *three* fingers and here are *three more* fingers, and that makes *how many* fingers? Can't you tell us Heather? . . . Peter, for the last time, stay in your own chair and mind your own business and *don't bother* the other children . . . Mary Jean, are you paying attention? What did I just say? Sometimes I think your mind's a thousand miles away! Mary Jean? . . . Steven, *not again*—that's the *third time* you've knocked over the paste pot this week . . ."

Through the words of harried teachers, you begin to know them. There's usually one in every class. There are thousands in the Washington area.

These children usually aren't mentally retarded—in fact, many are quite smart. They don't have obvious physical handicaps like partial deafness or poor vision or cerebral palsy. They don't suffer from some emotional ill like being schizoid.

"He's a seven-year-old," one desperate parent confides, "and he can discuss Shakespeare and gravity, but he can't read. It's as though he can't see the words and hear the words. The eye doctor says nothing's wrong. The ear specialist says nothing's wrong. The teacher says he's a willful child who's used to getting his own way in manipulating adults. And the children—they call him Dumb-Head . . ."

The Class Dunce, that's what he used to be in the Good Old Days when life seemed so much simpler. Teacher rapped his knuckles with a ruler or made him stand in a corner or kept him after school to write out words or do sums. Father, alerted by an ominous report card, came through with a stern lecture or took the birchrod to him.

There was nothing wrong with the child, or so people thought then, that "a little discipline" shouldn't cure. And when it didn't, well, you just had to recognize some kids weren't so bright or had a touch of the devil in them.

More and more educators today know better. They know many children once cavalierly branded as "slow learners" or "behavior problems" are actually afflicted with a whole array of critical little difficulties that by and large have nothing to do with discipline.

Being educators, they typically tangle themselves up with mind-boggling jargon. They say Richard—and Melissa and Jeffrey and all the others—suffer from "specific learning disabilities" or "minimal brain dysfunction" or "dyslexia" or "neurological impairments." One researcher has found a grand total of 38 frequently overlapping terms for these problems.

"Special learning disabilities" seems to be the term getting widest currency, and the National Advisory Committee on Handicapped Children has offered this definition:

"Children with special learning disabilities exhibit a disorder in one or more of the basic psychological processes involved in understanding or in using spoken or written languages. These may be manifested in disorders of listening, thinking, talking, reading, writing, spelling or arithmetic . . ."

Beyond definitions, the educators—with doctors, psychologists and other professionals—have begun a belated campaign to give these children the special breaks they need. Prodded by frantic parents, they are putting the case to local school boards, state legislatures and Congress for recognition of the "SLD" problem and for money to cope with it.

At the same time, they are delving further into the causes of "SLD," how you identify "SLD" children and what their individual disabilities are, and how best you help them overcome these disabilities.

For many afflicted children, the problem can be traced to minor brain damage before, during or after birth—a fact that can plunge mothers needlessly into maelstroms of guilt. Yet quite a number show one or another of the "SLD" symptoms without any hard medical evidence—such as suspicious patterns on an electroencephalogram—that something tangible is wrong.

These tell-tale "SLD" symptoms usually show up by first grade, often earlier. Take some learning difficulties with the word "sit." Melissa, with a "reversal" problem, may spell it "Tis." Another child may recognize the letters "S-I-T" on the blackboard but fail to see they hook together to form a word. Still another may recognize the word on the blackboard but not when it's spoken aloud by the teacher—or vice versa. Or be able to write it but not say it aloud himself. Or recognize it when it's by itself but not when it's in a list with other words.

Or be so jumpy or so dreamy that he isn't following the lesson in the first place. Or, when told to "sit," unable to judge the distance between him and his chair and so miss it entirely and fall clumsily to the floor.

In general, these symptoms reflect quirks in how the children see and hear things, how they put together what they see and hear, and how they apply it.

If your child shows one or more of the symptoms, don't leap to conclusions.

"Every disability we're talking about," says Dr. J. Gerald Minskoff in the Federal Government's Office of Education, "is normal at a certain stage of life."

Children develop at varying rates. Some outgrow learning problems on their own without special help. Others, of course, aren't so lucky.

On the other hand, according to director Sally L. Smith of the Kingsbury Center for Remedial Education's Lab School here, resourceful "SLD" children can sometimes fake their way through the first few grades of school—hiding their lack of one learning tool by relying heavily on others.

"They know the important thing in the classroom," she says, "is to get the right answer."

To catch the "SLD" child at an early age calls in the first place for alert, well-informed teachers, parents and family doctors. Beyond that, to confirm the child has a particular problem and diagnose its exact nature usually means turning to experts who use sophisticated tests with names like Bender-Gestalt, Frostig and the Illinois Test of Psycholinguistic Abilities.

In the Washington area, as elsewhere, school and medical authorities have far to go in spotting all the "SLD" children who need special care. Just how many there actually are remains fair game for those who speculate with statistics, but it's widely accepted that 1 to 3 per cent—at the very least—of the nation's children are afflicted. Some estimates run as high as 10 per cent.

For the District of Columbia itself, 1 per cent alone would mean more than 1,500 in the public schools. But as of last March, according to the D.C. school system's own figures, only 197 had been positively identified. The system, special education director Stanley Jackson explained, simply lacked the manpower to make a full survey and had to rely on sporadic referrals.

The Kingsbury Center, which offers diagnostic work as well as tutoring and other services, receives some 800 youngsters of all ages yearly.

Testing and diagnosis is available from a number of other sources locally, including specialists in the public school systems and public health departments. Children's Hospital, the D.C. Society for Crippled Children, and Georgetown, George Washington and Howard Universities also offer such services.

The Arlington County school system, with state and Federal aid, is sending two teams out into the community to spot pre-school children with "SLD" and other handicaps and thus permit an early start on corrective help.

A number of people concerned with the "SLD" problem contend the best approach to finding and diagnosing afflicted children involves teams of specialists. "Diagnosis," Mrs. Everard Munsey, founder and president of the Virginia Association for Brain-Injured Children, told a congressional panel recently, "has been the nightmare of parents of children with learning disabilities. For many parents it has been a bewildering, discouraging and expensive sequence of examination and referrals to other specialists. There is in in most cases no 'one-stop' service."

The basic thrust of programs for children found to have special learning disabilities, it's generally agreed, should be to keep the youngsters in the educational "mainstream" as much as possible or return them to it as soon as possible.

Some, usually the more serious cases, are placed where possible in special classes—though there's the risk they'll be labeled as "different."

For milder cases, though, a growing number of educators believe the better (and less costly) approach is to keep "SLD" children in their regular classrooms—pulling them out for short periods of special attention with a teacher who "floats" from one school to another, and giving their regular teachers advice on how they themselves can help.

By and large, the experts on how to aid "SLD" children concede they aren't really experts yet. They are feeling their way with a vast array of methods and materials, experimenting, seeking to tailor their work to each child's needs.

Mrs. Smith at the Lab School calls this "diagnostic teaching": going back to the child's basic learning skills, finding his strong and weak points, and using the strong ones to strengthen the weak ones. Unlike the mentally retarded, she says, the "SLD" children "learn very fast if you find the routes by which they learn."

Mrs. Smith—a dynamic blonde, author and psychologist as well as educator—believes in making school work dramatic. She has set up "clubs"—cavemen, Indians, mediaeval knights—in which the children who dress up and bedeck their classroom in the proper motif can also boost their vocabularies and learn some history and geography. Under sculptor Bert Schmutzhart, they embark on boat-building projects—and pick up some mathematics, science and better coordination as they construct their craft.

Public schools in the Washington area provide a growing—though in some cases grossly inadequate—number of special "SLD" classes. Tight budgets are usually the prime roadblock to swifter progress, but that's not the whole story. Skilled teachers are in short supply, and classroom space often at a premium. The quality of "SLD" teaching necessarily varies with the teacher, the cooperation he or she gets from other school officials and the number and screening of pupils in the class (children with other problems sometimes get included).

Montgomery County, a nationwide pioneer in this field more than a decade ago when Dr. William M. Cruickshank ran his classroom experiments there, offered 44 classes this past year for some 450 pupils. Prince George's County has some 138 classes for children with "special learning problems."

Across the river in Virginia, Fairfax County will have 8 to 10 such classes this coming year after finally separating its "SLD" children from those with emotional problems. Arlington will double its classes: from one to two.

The District of Columbia itself had 8 classes serving some 64 "SLD" children this past year—with a waiting list of 200 more—and was asking Congress for funds to hire 21 additional teachers. Stanley Jackson, D.C. special education director, said he would probably use some of the 21 to start new special classes and others as roving teachers. He conceded the District's unmet needs were immense but insisted, "You have to build gradually."

The D.C. School Board, under heavy parental pressure, has finally agreed to help pay tuition for "SLD" children to attend local private schools when public classes aren't available. But private facilities are also scarce.

The Lab School for example has an enrollment of 32 children in 4 classes. Mrs. Smith said she received some 158 inquiries and pared the waiting list to 10. "One mother," she reported recently, "has called every Tuesday at ten o'clock for the past five weeks asking if there was an opening in our 6-year-old group."

Tuition at the Lab School for those who can pay it is a formidable $2,500 yearly, though even this falls short of the cost, which Mrs. Smith reckons at $3,850. Thus, so far at least, the enrollment has come largely from middle-class homes.

Among other local private schools working with "SLD" children hereabouts are the Christ Child Center in Bethesda, St. Maurice School in Potomac, the Greig School in Sumner, the Leary School in Annandale, the St. John's Child Development Center in D.C., the Schefer School in Falls Church (branches in Alexandria and McLean), and the School for Contemporary Education in McLean. Methods, quality and costs necessarily vary.

Almost everyone concerned with "SLD" children stresses how vital it is to catch the problem and start the task of overcoming it at an early age. The further a child labors under such disabilities in the classroom, the more likely he is to become discouraged, frustrated and eventually hostile or withdrawn. The ranks of drop-outs and delinquents, those concerned suspect, are filled with "SLD" youngsters whose problems were never caught or coped with.

William C. Geer, executive secretary for the Council for Exceptional Children, recently told a Congressional subcommittee that a 1965 survey of 277,649 juvenile arrests in California showed some 55,000 youths with signs of learning disabilities.

On the positive side, many believe a heartening number of "SLD" children with proper attention can overcome or at least by-pass their problems, complete a normal education and become productive—even highly successful citizens.

Dr. Lloyd J. Thompson, writing in the North Carolina Medical Journal last November, listed several famous names of yesteryear who showed signs of having had "SDL" problems—inventor Thomas Edison, philosopher William James, General George S. Patton, former Harvard President Abbott Lawrence Lowell and U.S. President Woodrow Wilson.

Perhaps the best-publicized recent case of someone surmounting such a disability has been Luci Johnson Nugent, former President Johnson's younger daughter, who was successively treated for a visual perception problem by D.C. optometrist Dr. Robert A. Kraskin. She helped organize and is currently a director of Volunteers for Vision, a group interested in promoting use of visual tests for preschool youngsters.

And perhaps the best evidence of mushrooming public interst in the "SLD" problem came when columnist Ann Landers referred her readers for more information to the National Advisory Committee on Dyslexia and Related Reading Disorders. The hapless panel was all but buried under an estimated 18,000 letters from Ann's fans.

Several groups of parents with children suffering special learning disabilities are active in the Washington area. Their memberships include interested professional people, and their activities aim in general at sharing information about the "SLD" problem and prodding public officials to provide better services. The roster includes:

Washington chapter, Association for Children With Learning Disabilities, President Robert A. Jackson, 291–5887;

Virginia Association for Brain-Injured Children, President Mrs. Everard Munsey, 524–4682;

Montgomery County Association for Children With Specific Learning Disabilities, President Mrs. Donald Straus, 871–7400;

Prince George's County Association for Children With Specific Learning Disabilities, President Michael Mehalic, 935–6642;

Concerned Citizens for Exceptional Children, President James McCord, 762–7678.

GLOSSARY OF TERMS RELATED TO LEARNING DISABILITIES

1. Receptive Aphasia—can understand words spoken to him and instructions given, but cannot express himself in language.

2. Expressive Aphasia—can express himself well, but cannot understand langauge and instruction given to him.

3. Minimal Brain Dysfunction—MBD, as it's called, means a slight irregularity in the brains ability to function. It is *not* a retarding condition.

4. Dyslexia—any or all forms of reading disorders, including seeing letters written backwards or upside down; an inability to put several letters together to form a recognizable word, etc.

Mr. QUIE. Mr. Speaker, I yield myself 1 minute in order that I may engage in a colloquy with the gentleman from Illinois (Mr. PUCINSKI).

We did not mention one thing which may cause concern pertaining to these children or the educators of the handicapped. There is nothing contained in the pending legislation that in any way will take any funds or activities away from the other groups of handicapped to be used for the learning disabled group. In other words, it sets aside an additional authorization. There should be no question about taking money away from these other programs and placing it into this program.

Mr. PUCINSKI. This is absolutely correct. As a matter of fact, right now some youngsters with learning disabilities are being trained under other programs because they have multiple disabilities. I certainly agree with the gentleman from Minnesota that funds appropriated now under existing legislation will not be diverted with the addition of this program.

Mr. QUIE. I thank the gentleman from Illinois.

Mr. PERKINS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Florida (Mr. PEPPER).

Mr. PEPPER. Mr. Speaker, the first bill I introduced in the other body when I came there in 1937 was a bill to provide Federal aid for the education of handicapped children. I felt as we all do that these pathetic young citizens of America are entitled to compassionate consideration by their Congress and their country.

I have rejoiced in the intervening years, particularly in the late years, to see the manner in which the program of Federal education has helped these handicapped children and the manner in which it has been expanded. But today only 28 percent of the 6 million handicapped children are receiving aid under the existing Federal programs and only 40 percent of the handicapped children are provided any assistance under Federal, State or local programs. This bill will meet this deficiency.

Mr. Speaker, this bill is intended not only to alleviate the personal tragedy of these handicapped children, but to make them more constructive citizens of this great land of ours.

So, Mr. Speaker, this is an important bill. It deals with very complex and sophisticated concepts; it is legislation to establish programs to free the potential of an estimated 1 million American children from specific learning disabilities. In the past, many of these children have been labeled underachievers or worse. Thanks to modern medical science, these children will no longer have to suffer such labels and indignities. Our medical scientists have discovered that often children suffer from defects or disorders in one or more of the basic psychological processes—important processes which involve understanding or using spoken or written language. These disorders have been detected by testing the child's ability or inability to listen, think, speak, read, write, spell, or do mathematical calculations. The disorders include perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia, and development aphasia. They have caused a great deal of suffering by the thousands of youngsters that have borne the heavy burden of being handicapped in a nonvisible way. Frequently the children who had such handicaps had other abilities equal or superior to those of other children. Parents and teachers would accuse such children of "just not trying." Now, relief and freedom from unjust criticism are just around the corner for these children. Dr. James Gallagher, former associate commissioner of the Bureau of Education for the Handicapped of the U.S. Office of Education, has stated that—

Diagnostic tests and sharper observation . . . are now making the discrete learning problems identifiable to a much greater degree.

That is why this bill, H.R. 13310 is so important to children with specific learning disabilities. It would provide funds for training and research activities in this area; it would also provide a new program of model service centers. Children could be tested in their home areas at relatively little trouble or cost to parents; tests could be used to diagnose the extent of the learning disability, and treatments and therapy for such disabilities could be developed and given to such children in time to correct the specific learning disability. I tell you, Mr. Speaker, the time has come for America to begin to salvage and develop our greater natural resource—the natural gifts and talents of our Nation's children. We cannot afford to squander our children and waste their intellect and talents due to undetected hidden defects. We have at our command the necessary resources and knowledge to help children develop to the fullest extent of their inherent capabilities. We are certainly in need of their talents and intelligence if our country is to continue its steady progress and growth as a great nation.

I hope, therefore, that this bill will pass by an overwhelming majority.

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

Mr. PERKINS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Speaker, I rise in support of this measure.

Mr. Speaker, there is no question that the problems of children with learning disabilities are among the most severe problems faced in the field of education. It is estimated that from 1 to 3 percent of our Nation's school population suffers from one or more specific learning disabilities serious enough to require special educational intervention. In round numbers we are speaking about half a million to one and a half million children.

H.R. 13310 comes at a time of rapid growth in the area of identifying and solving these educational problems. Many local, county, and State education administrations have attempted to provide in spirit a vehicle with which to establish classes for the learning disabled. The knowledge which the field of specific learning disabilities embodies has broadened significantly in the past 5 years. Many of our major colleges and universities have established programs for the preparation of teachers and other workers in the field. Yet the programs of the Federal Government have not been available to this field, because definitions did not include specific learning disabilities among the handicaps which could be attacked. H.R. 13310 seeks to remedy that problem by changing the language of all Federal legislation for the handicapped. I am sure that my colleagues recognize the need for this change. When we originally passed education laws for the handicapped in 1965, the problem of specific learning disabilities had not been identified. The ability to recognize the problem has been achieved only recently, and we must act on this knowledge in order to meet the problem.

H.R. 13310 also includes a new part E to title VI of the Elementary and Secondary Education Act for special programs for children with specific learning disabilities. This section would authorize a program of research, training, and model centers for the attack on specific learning disabilities. Research is needed to improve the diagnosis of exactly what problems are holding these children back. A program for training professional educational personnel to deal with children suffering from specific learning disabilities is a must if we are hopeful of saving the educational experience of these children who have previously been ignored or thrust away

from learning because of medical problems no one was able to recognize.

And most important, this bill would establish a program for the operation of model centers for the improvement of education for these children. They would serve as evaluation centers for children referred to them from the schools for diagnosis and treatment by experts. They would also serve to develop model programs designed to meet the special educational needs of these children, and to assist the schools to learn how to meet the problem of specific learning disabilities through dissemination of the results of model programs which would be applicable to the classrooms of the country. A Federal role is essential in the development of these educational programs for the learning disabled, since individual schools and districts lack the resources to concentrate on the needs of this specific population. This has been the philosophy behind all the assistance the House has passed for the education of the handicapped in the past. I urge all my colleagues to join with me in the support of this bill. The needs of children with specific learning disabilities require an expanded response in all areas of research, teacher training, and model development.

As Dr. James Gallagher, former head of the Bureau of Education for the Handicapped in the U.S. Office of Education, pointed out in testimony before the General Subcommittee on Education:

> There is a need for a great deal of additional research into the problems of identification, classification and treatment of these children. Methods of instruction must be explored, and teachers and related specialists trained. Pilot activities exploring a variety of treatment models, special classes, tutorial programs, individualized instruction, etc. should be developed across the Nation, so that the school systems will have a sound basis on which to build broader programs for children with specific learning disabilities.

Mr. ADDABBO. Mr. Speaker, I am pleased as a sponsor of legislation similar to H.R. 13310, which provides for special programs for children with specific learning disabilities, to have this bill before the House today and I hope for its speedy passage by the Congress.

This is an important bill because children with specific learning disabilities are not clearly included under the present Federal laws for the education of the handicapped. A conservative estimate, from 1 to 3 percent of our school population are included in the group of children with specific learning disabilities. Educational research and model programs must be initiated in order to find the most effective means of assisting these children.

This legislation would amend the eight major Federal laws concerning the education of the handicapped to make children with specific learning disabilities eligible under the permanent programs. However, it will not cut back on any programs for handicapped children which are now authorized.

We must make a greater effort to improve the techniques of educating these children who suffer from impairments in their ability to speak, read, listen, and write.

This bill is a step in the right direction for the improvement of our educational system for all children.

Mr. TIERNAN. Mr. Speaker, most of us are in agreement that title VI of the Elementary and Secondary Education Act of 1965 was a major and worthwhile step forward in assisting the handicapped. Today, we are moving to augment the provisions of that act to make sure that children with "specific learning disabilities" will be clearly included under the present Federal laws for the education of the handicapped.

H.R. 13310 clarifies the definition of handicapped children to encompass the learning disabled. The Children With Specific Learning Disabilities Act of 1969 will determine through research and model programs the most effective means of assisting these children in school since that is where their disabilities most obviously hamper them. This legislation would amend the eight major Federal laws concerning the education of the handicapped to more children with specific learning disabilities eligible under the permanent programs. Through model centers, training of teaching personnel and through the authorization of grants to higher institutions of education, we will be better able to meet the urgent needs of children who are plagued with specific learning disabilities. I rise in support of this legislation and urge my fellow Members of the House to join me in passing this vital legislation.

Mr. EILBERG. Mr. Speaker, the minds of children are amazingly flexible, and learning usually takes place in an almost imperceptible manner. The natural inquisitiveness of childhood leads to seemingly easy absorption of ideas and concepts, and the introduction of formal education provides direction for new discoveries.

But for some children the learning process remains a chore. Their problems may range from a general overactivity or forgetfulness, to a more specific learning block in spelling or reading. These children may be intelligent and healthy, yet they do not fit the mass production mold. Their educational disabilities reflect a need for added attention and special training. It is for this reason that the Children With Learning Disabilities Act of 1969 is a most urgently needed piece of legislation.

The central and most vital function of a child is learning, and when he is denied fulfillment of this function the repercussions are profound. When a child consistently falls short of his educational potential, valuable talent is going to waste. Moreover, his future livelihood may even be threatened, as shown by the close relationship between unemployment and lack of educational achievement.

In contemporary America, education has come to be considered the key to success, yet there are perhaps one and a half million schoolchildren in this country whose learning disabilities have gone uncorrected because of a scarcity of special educational services. We must increase the range and intensity of our efforts to reach these children with learning disabilities, and to broaden their education opportunities.

The legislation before you today provides specifically for the educationally handicapped child, for the child who appears normal but who somehow cannot fully grasp the learning process. Through this act, we will be able to provide a program of support for research and related activities in the area of education of children with learning disabilities. We can use this research as the basis for programs of professional advanced training for people who are preparing to teach these children. We will also be able to develop model centers for evaluation and education, which will in turn assist State and local educational agencies in making more programs available to children with learning disabilities.

Mr. Speaker, the failure of the schools to adequately develop these youngsters discriminates against all socioeconomic classes. We must reach toward educational justice for these children. The programs which will be supported by the Children With Learning Disabilities Act will aid the development of special teaching methods, techniques, and materials which will help these children work around or overcome their specific barriers to learning. It is for this reason that I urge the strong support of the Children With Learning Disabilities Act of 1969.

Mr. DONOHUE. Mr. Speaker, I most earnestly urge and hope this House will speedily and overwhelmingly approve this bill before us, H.R. 13310, which is concerned with helping children who have specific learning disabilities.

This legislation is needed because these handicapped children are, by an obvious inequity, not clearly included under existing Federal programs for the education of the handicapped.

Beyond making certain that these particular children are legally and formally eligible for assistance under existing Federal laws this measure would further authorize a temporary program of necessary research, teacher training, and model centers for their education.

Mr. Speaker, this proposed legislation will beneficially affect a conservatively estimated 1 to 3 percent of our school children with specific learning disabilities and initiate the additional medical and educational research and training that is essential to remedy their handicaps and encourage them to a more complete and satisfactory life for themselves, their families, and their communities.

Mr. Speaker, in summary, this bill is a matter of extending simple justice to a great many schoolchildren. It is a prudent investment in the national interest and I urge its unanimous adoption.

Mrs. MINK. Mr. Speaker, I rise in support of H.R. 13310. Equal educational opportunity for all children, a foremost principle of public education in the United States, presents us with a continuing challenge to identify the educational needs of all children, and to assure them of programs and instruction which

match their needs. H.R. 13310 identifies and provides special programs for children with specific learning disabilities. These youngsters are handicapped, but are not clearly included under present Federal legislation for education of the handicapped. H.R. 13310 seeks to remedy this inequity, and to make sure that children with the particular handicap created by a specific learning disability are eligible for the permanent education programs created for handicapped children through Federal legislation and assistance.

H.R. 13310 also authorizes a separate temporary program of research, teacher training, and model centers for the education of children with specific learning disabilities. So great is the need of these children for special educational opportunities that special measures are necessary to initiate programs designed to meet their needs.

The children who will benefit from this legislation are those who for emotional, neurological, or other medical reasons cannot perform a particular function necessary to learning. Some of these youngsters cannot read while others cannot write. Some cannot understand mathematics. But although the disabilities differ, each child experiences difficulty in using language—the most basic element in learning.

A learning disability instructor at the Niu Valley Intermediate School in Honolulu, Mrs. Sue Morris, describes one young student in her class who cannot write, but can dictate his lessons almost perfectly without a rough draft. Interviewed by the Honolulu Star-Bulletin, Mrs. Morris explained that the child "has a terrific mind and has compensated verbally for what he cannot do in writing."

Mrs. Margaret Ohara, the counselor at Niu Valley Intermediate School, finds that children with learning disabilities need encouragement to overcome the effect of discouragement and shame brought about by their learning troubles. The child often works very hard, and with special teaching and counseling assistance can learn to live with and overcome their problem.

I urge you to join me in giving these children a chance for equal education by voting for H.R. 13310.

Mr. FASCELL. Mr. Speaker, the bill under consideration today to provide for special programs for children with specific learning disabilities has been long awaited. As you know, these young people are not clearly included under the present Federal law for the education of the handicapped, although they are definitely recognized as possessing a particular type of handicap.

Because this handicap has not been included in our programs, there is a great need for additional education and medical research, since the causes of learning disorders are often not even medically determinable. We must have programs of research to determine the causes of this handicap, and extensive research to determine the best and most effective means of assisting these children.

The National Advisory Committee on the Handicapped has identified children with specific learning disabilities as those who have a disorder in one or more of the basic psychological processes involved in understanding or in using language. Such a disorder may result in imperfect ability to listen, think, read, write, spell, or do mathematical calculations, and include such conditions as perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia, and developmental aphasia. I am most familiar with the problem of dyslexia. Children with dyslexia suffer from the inversion of letters and words making it difficult for them to read accurately or comprehend the meaning of what they read. They must have specially trained teachers and specially designed equipment. To date, Federal funds for assistance in training and providing this equipment has been minimal.

The bill under consideration today, H.R. 13310, would amend our present laws to make children with specific learning disabilities eligible under our permanent programs. In addition, it would also authorize a temporary program of research, teacher training, and model centers for the education of these children. This temporary program would last for 3 years.

The education of our youth is one of our greatest responsibilities in Congress and the country. We must make this special effort to assist those children with special problems, and I strongly urge enactment of this bill.

Mr. BROYHILL of Virginia. Mr. Speaker, I rise in support of H.R. 13310, to provide for special programs for children with specific learning difficulties.

We have long recognized the need for special training for children with those severe handicaps resulting from brain injury or damage, but those who have learning difficulties primarily as the result of visual, hearing, or motor handicaps, of mental retardation, emotional disturbance, or environmental disadvantage have not been included under the eight major Federal laws concerned with education of the handicapped. This legislation will permit their inclusion in these programs.

We have been assured, Mr. Speaker, that enactment of this legislation will not cut back any programs now underway for other children, nor will it decrease Federal support for any learning disability projects now funded under present law.

The legislation authorizes a badly needed temporary program of research, teacher training, and model centers for educating children with learning disabilities. It will serve as a means of initiating programs and will, at the same time, provide an opportunity for additional education and medical research into causes of these disorders and possible remedies.

Specific learning disabilities can be overcome only by specially trained teachers, Mr. Speaker, and this legislation authorizes a teacher training program for this purpose. Through its provisions model programs can be initiated which will demonstrate what is presently known about the special programs involved, and what can be done to improve teaching methods for children with such difficulties.

Mr. Speaker, this additional help we can give toward solving the educational problem facing up to 3 percent of our children is a need we cannot ignore. By acting now we can take a long step toward insuring that many youngsters who might otherwise falter along the way can be trained to become useful and productive citizens when they grow to maturity.

Mr. Speaker, I urge enactment of H.R. 13310.

Mr. MATSUNAGA. Mr. Speaker, I rise in support of H.R. 13310, the Children With Specific Learning Disabilities Act of 1969.

Based on the recommendations of the National Advisory Committee on the Handicapped, children with specific learning disabilities have been identified as those who have a disorder in one or more of the basic psychological processes involved in understanding or in using language—spoken or written—which disorder may manifest itself in an imperfect ability to listen, think, read, write, spell, or do mathematical calculations. These disorders include such conditions as perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia, and developmental aphasia.

It has been shown that more than 6 million handicapped children need special educational services, but only about 28 percent are receiving services under title VI–A, the basic Federal program for the education of the handicapped. The States report that all programs—Federal, State, and locally supported—serve only about 40 percent of the handicapped.

H.R. 13310 would amend the eight major Federal laws concerning the education of the handicapped to make children with specific learning disabilities, who presently are not clearly included under the present Federal laws for the education of the handicapped, eligible under the permanent programs. Funds would be authorized totaling $36 million to be used over a 3-year period for research, teacher training, and model educational centers related to disabled learners.

The Committee on Education and Labor is to be commended for its efforts to strengthen our present Federal laws by clarifying the definition of handicapped children to encompass those with learning disabilities.

This legislation provides not an added expense to the taxpayer but an investment in the future designed to provide the handicapped children of this Nation with the opportunity to reach his potential as a productive and fully participating citizen in our society.

I strongly urge a unanimous vote for H.R. 13310.

Mr. BOLAND. Mr. Speaker, for some time educators have struggled with the problems of children who cannot seem to grasp the basic processes required for mastery of spoken or written communication. These children may be able to listen, think, read, write, spell, and calculate—but in one or more of these areas their learning ability is imperfect. The child with such a handicap has often been misunderstood and much maligned. We knew him as the class dunce or at the

very least as a "disruptive influence" in the school. His handicap has been interpreted both as willful disobedience and as a sign of innate lack of intellectual ability. More recently, however, research has managed to identify the problems which these children share as a very real and special kind of disability. These disorders may include perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia and developmental aphasia. Because the children who suffer from these conditions manifest similar problems, however, their disorders have been commonly termed "specific learning disabilities."

It is conservatively estimated that from 1 to 3 percent of all schoolchildren are handicapped in this way. Despite the considerable commitment which we in the Congress have made to the education of the handicapped, however, these children are not clearly included under existing law. When title VI of the Elementary and Secondary Education Act was passed, children with specific leaning disabilities had not yet been defined as a separate category and therefore were not specified in the definition of the handicapped children to be served.

H.R. 13310 seeks to redress this inequity by amending the eight major Federal laws concerning the education of the handicapped to include children with specific learning disabilities. Among these laws will be titles I and VI of the Elementary and Secondary Education Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act, the Handicapped Children's Early Education Assistance Act, and the Vocational Education Act.

Because specific learning disabilities have been but recently identified, they are but little understood. Continuing research, the training of teachers and other professional, and the development of model educational programs are essential if we are to supply the help these children need so desperately. Thus H.R. 13310 also includes a temporary authorization which would provide $6 million in fiscal 1971, $12 million in 1972, and $18 million in 1973 for a program of research, teacher training, and model centers which will greatly increase our knowledge of the best way to meet the needs of the child with specific learning disabilities.

The needs of these children must not go unmet as a result of a legislative oversight; we must pass this measure in a positive response to the advances in educational research that have uncovered the roots of the perplexing problems which have long beset our Nation's schools.

Mr. MORSE. Mr. Speaker, I rise to offer my strong support for H.R. 13310, the Children With Specific Learning Disabilities Act of 1969.

We have a responsibility to every child in this Nation to provide him the opportunity to develop to his highest potential. This means not only those children blessed with exceptional talent, but also those who are not so fortunate. It has been noted as a conservative estimate that some 3 percent of our school population suffers from specific learning disabilities involving the understanding and use of language. These youngsters are no less handicapped in their education than those children with physical, mental, or environmental disorders, yet they are not included under existing Federal laws for the education of the handicapped.

The need to close this gap in our efforts is urgent; it is long overdue. By expanding the definition of handicapped children to include the "learning disabled," H.R. 13310 corrects this failing in our obligation to provide proper education for every child in this Nation. I am pleased to note, in addition, that it safeguards existing programs for other handicapped children by authorizing additional funds for these new programs, and I urge full support for the progress this legislation portends.

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

The SPEAKER pro tempore (Mr. Moss). The question is on the motion of the gentleman from Kentucky that the House suspend the rules and pass the bill H.R. 13310.

The question was taken.

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

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

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

The question was taken; and there were—yeas 352, nays 0, not voting 79, as follows:

[Roll No. 204]

YEAS—352

Abbitt	Byrne, Pa.	Eshleman
Abernethy	Byrnes, Wis.	Evans, Colo.
Adair	Cabell	Evins, Tenn.
Adams	Caffery	Fallon
Addabbo	Camp	Farbstein
Alexander	Carter	Feighan
Anderson, Calif.	Casey	Findley
Andrews, Ala.	Chamberlain	Fish
Andrews, N. Dak.	Chisholm	Fisher
Annunzio	Clancy	Flood
Arends	Clark	Flowers
Ashbrook	Clausen, Don H.	Foley
Ashley	Clawson, Del	Ford, Gerald R.
Aspinall	Cleveland	Fountain
Ayres	Cohelan	Fraser
Baring	Collier	Frelinghuysen
Beall, Md.	Collins	Friedel
Belcher	Conable	Fulton, Pa.
Bell, Calif.	Conte	Fulton, Tenn.
Bennett	Conyers	Fuqua
Betts	Corbett	Galifianakis
Bevill	Coughlin	Gallagher
Biaggi	Cowger	Garmatz
Biester	Culver	Gaydos
Bingham	Daddario	Gettys
Blackburn	Daniel, Va.	Giaimo
Blanton	Daniels, N.J.	Gibbons
Blatnik	Davis, Ga.	Gilbert
Boland	Davis, Wis.	Gonzalez
Bolling	de la Garza	Goodling
Bow	Delienback	Gray
Brademas	Dent	Green, Oreg.
Brasco	Derwinski	Griffin
Bray	Devine	Griffiths
Brinkley	Dickinson	Gross
Brotzman	Diggs	Grover
Brown, Ohio	Dingell	Gubser
Broyhill, Va.	Donohue	Gude
Buchanan	Dorn	Hagan
Burke, Fla.	Dowdy	Haley
Burke, Mass.	Duncan	Hall
Burleson, Tex.	Dwyer	Hamilton
Burlison, Mo.	Eckhardt	Hammer-schmidt
Burton, Calif.	Edmondson	Hanley
Bush	Eilberg	Hanna
Button	Erlenborn	Hansen, Idaho
	Esch	Hansen, Wash.
Harsha	Mills	St Germain
Harvey	Minish	Sandman
Hathaway	Mink	Satterfield
Hawkins	Minshall	Saylor
Hays	Mize	Schadeberg
Hechler, W. Va.	Mizell	Scherle
Heckler, Mass.	Monagan	Scheuer
Helstoski	Montgomery	Schneebeli
Henderson	Morgan	Schwengel
Hicks	Morse	Scott
Hogan	Morton	Sebelius
Holifield	Moss	Shipley
Horton	Murphy, Ill.	Shriver
Hosmer	Murphy, N.Y.	Sikes
Hull	Myers	Sisk
Hungate	Natcher	Slack
Hunt	Nedzi	Smith, Calif.
Hutchinson	Nichols	Smith, Iowa
Ichord	Nix	Smith, N.Y.
Jarman	Obey	Snyder
Johnson, Calif.	O'Hara	Springer
Johnson, Pa.	O'Konski	Stafford
Jonas	Olsen	Staggers
Jones, Ala.	O'Neal, Ga.	Stanton
Jones, N.C.	O'Neill, Mass.	Steed
Jones, Tenn.	Ottinger	Steiger, Ariz.
Karth	Passman	Steiger, Wis.
Kastenmeier	Patman	Stokes
Kazen	Patten	Stratton
Kee	Pepper	Stubblefield
King	Perkins	Stuckey
Kleppe	Pettis	Sullivan
Koch	Philbin	Symington
Kuykendall	Pickle	Talcott
Kyl	Pike	Teague, Calif.
Kyros	Pirnie	Teague, Tex.
Langen	Poage	Thompson, Ga.
Latta	Podell	Thompson, N.J.
Lennon	Poff	Thomson, Wis.
Lloyd	Pollock	Tiernan
Long, La.	Preyer, N.C.	Udall
Long, Md.	Price, Ill.	Ullman
Lowenstein	Price, Tex.	Utt
Lukens	Pryor, Ark.	Van Deerlin
McCarthy	Pucinski	Vander Jagt
McClory	Purcell	Waggonner
McClure	Quie	Waldie
McCulloch	Quillen	Wampler
McDade	Railsback	Watson
McDonald, Mich.	Randall	Watts
McEwen	Rarick	Whalen
McFall	Rees	White
McKneally	Reid, Ill.	Whitehurst
McMillan	Reifel	Whitten
Macdonald, Mass.	Reuss	Widnall
MacGregor	Rhodes	Wiggins
Madden	Riegle	Williams
Mahon	Rivers	Wilson, Charles H.
Mailliard	Roberts	Winn
Marsh	Robison	Wold
Martin	Rodino	Wolff
Matsunaga	Rogers, Colo.	Wright
May	Rogers, Fla.	Wyatt
Mayne	Rooney, N.Y.	Wydler
Meeds	Rooney, Pa.	Wylie
Melcher	Rostenkowski	Wyman
Meskill	Roth	Yates
Mikva	Roudebush	Zablocki
Miller, Calif.	Roybal	Zion
Miller, Ohio	Ruppe	Zwach
	Ruth	
	Ryan	

NAYS—0

NOT VOTING—79

Albert	Dennis	Lujan
Anderson, Ill.	Downing	McCloskey
Anderson, Tenn.	Dulski	Mann
Barrett	Edwards, Ala.	Mathias
Berry	Edwards, Calif.	Michel
Boggs	Edwards, La.	Mollohan
Brock	Fascell	Moorhead
Brooks	Flynt	Mosher
Broomfield	Ford, William D.	Nelsen
Brown, Calif.	Foreman	Pelly
Brown, Mich.	Frey	Powell
Broyhill, N.C.	Goldwater	Reid, N.Y.
Burton, Utah	Green, Pa.	Rosenthal
Cahill	Halpern	St. Onge
Carey	Harrington	Skubitz
Cederberg	Hastings	Stephens
Celler	Hébert	Taft
Chappell	Howard	Taylor
Clay	Jacobs	Tunney
Colmer	Keith	Vanik
Corman	Kirwan	Vigorito
Cramer	Kluczynski	Watkins
Cunningham	Landgrebe	Weicker
Dawson	Landrum	Whalley
Delaney	Leggett	Wilson, Bob
Denney	Lipscomb	Yatron
		Young

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Boggs with Mr. Anderson of Illinois.
Mr. Albert with Mr. Bob Wilson.
Mr. Hébert with Mr. Lipscomb.
Mr. St. Onge with Mr. Frey.
Mr. Celler with Mr. Cederberg.
Mr. Carey with Mr. Broomfield.
Mr. Kluczynski with Mr. Michel.
Mr. Rosenthal with Mr. Weicker.
Mr. Green of Pennsylvania with Mr. Keith.
Mr. Delaney with Mr. Halpern.
Mr. Dulski with Mr. Mosher.
Mr. Fascell with Mr. Berry.
Mr. Young with Mr. Foreman.
Mr. Barrett with Mr. Reid of New York.
Mr. Vigorito with Mr. Brown of Michigan.
Mr. Kirwan with Mr. Watkins.
Mr. Brooks with Mr. Brock.
Mr. Tunney with Mr. Mathias.
Mr. Chappell with Mr. Burton of Utah.
Mr. Taylor with Mr. Broyhill of North Carolina.
Mr. Howard with Mr. Nelsen.
Mr. Leggett with Mr. Landgrebe.
Mr. William D. Ford with Mr. McCloskey.
Mr. Flynt with Mr. Cramer.
Mr. Edwards of Louisiana with Mr. Whalley.
Mr. Colmer with Mr. Edwards of Alabama.
Mr. Moorhead with Mr. Cunningham.
Mr. Jacobs with Mr. Pelly.
Mr. Downing with Mr. Skubitz.
Mr. Stephens with Mr. Edwards of California.
Mr. Corman with Mr. Clay.
Mr. Mann with Mr. Dennis.
Mr. Anderson of Tennessee with Mr. Brown of California.
Mr. Vanik with Mr. Harrington.
Mr. Mollohan with Mr. Dawson.
Mr. Landrum with Mr. Goldwater.
Mr. Yatron with Mr. Taft.
Mr. Denney with Mr. Hastings.

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. PERKINS. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may have 5 legislative days in which to extend their remarks on the bill, H.R. 13310, just passed.

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

There was no objection.

INCREASING RATES OF DEPENDENCY AND INDEMNITY COMPENSATION

Mr. TEAGUE. of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13576) to amend title 38 of the United States Code to increase the rates of dependency and indemnity compensation payable to widows of veterans, as amended.

The Clerk read as follows:

H.R. 13576

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 402 of title 38, United States Code, is amended to read as follows:

"§ 402. Determination of pay grade

"(a) With respect to a veteran who died in the active military, naval, or air service, his pay grade shall be determined as of the date of this death.

"(b) With respect to a veteran who did not die in the active military, naval, or air service, his pay grade shall be determined as of—

(1) the time of his last discharge or release from active duty under conditions other than dishonorable; or

(2) the time of his discharge or release from any period of active duty for training or inactive duty training, if his death results from service-connected disability incurred during such period and if he was not thereafter discharged or released under conditions other than dishonorable from active duty.

"(c) The pay grade of any veteran described in section 106(b) of this title shall be that to which he would have been assigned upon final acceptance or entry upon active duty.

"(d) If a veteran has satisfactorily served on active duty for a period of six months or more in a pay grade higher than that specified in subsection (a) or (b) and any subsequent discharge or release from active duty was under conditions other than dishonorable, the higher pay grade shall be used if it will result in greater monthly payments to his widow under this chapter. The determination as to whether an individual has served satisfactorily for the required period in a higher pay grade shall be made by the Secretary of the Department in which such higher pay grade was held.

"(e) The pay grade of any person not otherwise described in this section, but who had a compensable status on the date of his death under laws administered by the Veterans' Administration, shall be determined by the head of the department under which such person performed the services by which he obtained such status (taking into consideration his duties and responsibilities) and certified to the Administrator. For the purposes of this chapter, such person shall be deemed to have been on active duty while performing such services."

SEC. 2. Section 403 of title 38, United States Code, is amended by striking out the last sentence of the section.

SEC. 3. Section 411 of title 38, United States Code, is amended to read as follows:

"(a) Dependency and indemnity compensation shall be paid to a widow, based on the pay grade of her deceased husband, at monthly rates set forth in the following table:

"Pay grade	Monthly rate
E–1	$167
E–2	172
E–3	177
E–4	187
E–5	193
E–6	197
E–7	206
E–8	218
E–9	[1] 228
W–1	211
W–2	219
W–3	226
W–4	238
O–1	211
O–2	218
O–3	234
O–4	247
O–5	272
O–6	306
O–7	332
O–8	363
O–9	390
O–10	[2] 426

"[1] If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, or sergeant major of the Marine Corps, at the applicable time designated by sec. 402 of this title, the widow's rate shall be $245.

"[2] If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, at the applicable time designated by sec. 402 of this title, the widow's rate shall be $457.

"(b) If there is a widow with one or more children below the age of eighteen of a deceased veteran, the dependency and indemnity compensation paid monthly to the widow shall be increased by $20 for each such child.

"(c) The monthly rate of dependency and indemnity compensation payable to a widow shall be increased by $50 if she is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person."

SEC. 4 Section 421 of title 38, United States Code is amended to read as follows:

"§ 421. Certifications with respect to pay grade

"The Secretary concerned shall, at the request of the Administrator, certify to him the pay grade of deceased persons with respect to whose deaths applications for benefits are filed under this chapter. The certification of the Secretary concerned shall be binding upon the Administrator."

SEC. 5 Section 401 of title 38, United States Code, is amended by striking out the text thereof beginning with "(1)" and continuing through "(2)".

SEC. 6. The table of sections at the beginning of chapter 13 of title 38, United States Code, is amended by (1) striking out

"402. Computation of basic pay."

and substituting in lieu thereof:

"402. Determination of pay grade.";

and (2) by striking out

"421. Certifications with respect to basic pay."

and substituting in lieu thereof:

"421. Certifications with respect to pay grade."

SEC. 7. Section 322 of title 38, United States Code, is amended by (1) inserting "(a)" immediately before "The"; and (2) adding at the end thereof the following new subsection:

"(b) The monthly rate of death compensation payable to a widow under subsection (a) of this section shall be increased by $50 if she is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person."

SEC. 8. This Act shall take effect on the first day of the second calendar month which begins after the date of enactment.

The SPEAKER pro tempore. Is a second demanded?

Mr. TEAGUE of California. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, I yield myself such time as I may consume.

(Mr. TEAGUE of Texas asked and was given permission to revise and extend his remarks, and to include extraneous matter.)

Mr. TEAGUE of Texas. Mr. Speaker, H.R. 13576 is to provide for equitable treatment of survivors. House Resolution 549, 83d Congress, and House Resolution 35 of the 84th Congress, created a select committee and authorized a full and complete investigation and study of the benefits provided under Federal law for the survivors of deceased members and former members of the Armed Forces where death is related to such service,

and authorized the committee, on the basis of such investigation and study, to make such recommendations as it deemed advisable, and to prepare such legislation as it considered appropriate to carry out such recommendations.

These investigations and studies conducted, in two Congresses, resulted in the passage of H.R. 7089 by the House of Representatives, and approval on August 1, 1956, of Public Law 881, 84th Congress, an act cited as the Servicemen's and Veterans' Survivior Benefits Act.

One of the act's complex and interlocking provisions established, in lieu of fixed death compensation rates unrelated to rank or grade, a program of dependency and indemnity compensation for widows based on a formula related to rank or grade; that is, $112 plus 12 percent of basic pay received by a serviceman whose rank and length of service are the same as her deceased spouse's.

Under this act, specific rates of dependency and indemnity compensation were made payable to children of a serviceman or veteran where there was no widow entitled to dependency and indemnity compensation—DIC—as well as supplemental rates of DIC to surviving children of servicemen and veterans under varying circumstances of helplessness, and because of dependency while attending a course of instruction at an educational institution approved by the Administrator of Veterans' Affairs in accordance with the requirements of 38 U.S.C. 104.

In devising the formula relating the widow's monthly DIC rate to her spouse's basic military pay, Congress intended that the monthly rates would rise as the servicemen's basic pay was increased, to provide incentives to make the Armed Forces a career, and to meet the rising costs of living.

Unfortunately, this has not been the case. Since enactment of Public Law 84–881, eight pay increases have been granted the Armed Forces. On analysis of these increases, although granted in the main to meet the rising costs of living, it is found that the percentages of increase in dependency and indemnity compensation have not been uniform. In addition, under the base rate plus 12 percent of basic pay formula, the widow's rate is increased by only 12 percent of the full cost-of-living increase granted members of the Armed Forces—for each $8.33 increase in basic pay, the widow's dependency and indemnity compensation goes up $1.

In 1963, the Congress enacted Public Law 88–134, this act revised the formula to set the base rate at $120 in lieu of the $112 rate. It was explained that this offset the cost-of-living increase which had occurred since 1956. Increases in the rates payable to children and dependent parents were authorized by Public Law 88–21, approved May 15, 1963, and Public Law 89–730, effective January 1, 1967.

This has resulted in dependency and indemnity compensation being paid today in a range from a minimum of $134 for an enlisted man in the first grade with less than 4 months of service, to $426 in the case of a widow of an officer in O–10 grade with over 30 years of service.

The table listed below shows that by far the greatest number of deaths occurring in Vietnam are in the lower enlisted grades:

VIETNAM DEATHS BY RANK, 1961–MARCH 1969

	Number of deaths	Percent of total
E–1, recruit	329	1
E–2, private	4,478	13
E–3, private 1st class	11,771	35
E–4, corporal	8,379	25
E–5, sergeant	3,394	10
Subtotal, first 5 pay grades	28,351	84
E–6, staff sergeant	1,494	4
E–7, to E–9	714	2
O–1, 2d lieutenant	600	2
O–2, 1st lieutenant	1,091	3
O–3, captain	866	3
Other officers and warrant officers	682	2
Total	33,798	100

While the formula provided in the basic law was intended to accomplish equity as much as possible, resulting increases have not been uniform and in the lower enlisted grades widows have not received in every instance increases which reflect the rise in the cost of living while in some of the higher grades the increase has exceeded the rise in the cost of living. The purpose of this bill is to provide increases in such amount so that for each grade there will be an increase at least equal to that which has occurred in the rise in cost of living. The basic results of this legislation are shown in the table which appears following:

Grade or rank	DIC rate Jan. 1, 1957 (1)	DIC rate July 1, 1969 (2)	Percent of increase due to military pay increases (3)	Percent of increase due to $8 increase in base since enactment P.L. 881, 84th C. (4)	Total percent increase from Jan. 1, 1957 (5)	Proposed DIC rate H.R. [1] [2] 13576 (6)	Percent increase over Jan. 1, 1957 (7)
E–1	$124	$140	6.4	6.5	12.9	$167	34.7
E–2	125	142	7.2	6.4	13.6	172	37.6
E–3	128	150	11.0	6.2	17.2	177	38.3
E–4	133	159	13.5	6.0	19.5	187	40.6
E–5	140	171	16.4	5.7	22.1	193	37.9
E–6	145	180	18.6	5.5	24.1	197	35.9
E–7	153	201	26.2	5.2	31.4	206	34.6
E–8	[3] 180	210	16.6	----------	16.6	218	[3] 21.0
E–9	[3] 188	221	17.6	----------	17.6	228	[3] 21.0
W–1	153	195	22.3	5.2	27.5	211	37.9
W–2	159	207	25.2	5.0	30.2	219	37.7
W–3	166	220	27.7	4.8	32.5	226	36.1
W–4	$174	$238	32.2	4.6	36.8	$238	36.8
O–1	[4] 160	200	20.0	5.0	25.0	211	[4] 31.9
O–2	[4] 166	215	24.7	4.8	29.5	218	[4] 31.3
O–3	[4] 177	232	26.6	4.5	31.1	234	[4] 32.2
O–4	180	247	32.8	4.4	37.2	247	37.2
O–5	189	272	39.7	4.2	43.9	272	43.9
O–6	206	306	44.6	3.9	48.5	306	48.5
O–7	215	332	50.7	3.7	54.4	332	54.4
O–8	235	363	51.1	3.4	54.5	363	54.5
O–9	247	390	54.7	3.2	57.9	390	57.9
O–10	259	426	61.4	3.1	64.5	426	64.5

[1] Basic rate to be increased by $20 per month for each child of the deceased veteran below the age of 18.

[2] Basic rate to be increased by $50 per month in the case of a widow so disabled as to require the aid and attendance of another person or a patient in a nursing home. No comparable allowance in present law.

[3] Percentage rate established Oct. 1, 1963; CPI increase since Oct. 1, 1963, 20.2 percent.

[4] Percentage rate established June 1, 1958; CPI increase since June 1, 1958, 27.8 percent.

Note: Consumer Price Index increase since Jan. 1, 1957, 33.8 percent.

Generally, no dependency and indemnity compensation is paid to widows on account of the children of the veteran. There are two limited exceptions: First, where social security or railroad retirement to a widow with two or more children is below a certain amount; and second, where the dependency and indemnity compensation to a widow with children is less than the death pension which would be payable for a like number of children. The provisions of section 3 authorize $20 additional for a child under 18 unrelated to social security and railroad retirement payments, affecting an estimated 35,200 children with first year cost of $4,800,000. This figure would gradually decrease in 4 subsequent years to approximately 31,000 at a cost of $4,227,000.

Widows of veterans who died of nonservice-connected causes are entitled to an extra $50 a month, in addition to the basic pension rate, when the widow is in such condition as to need the regular aid and attendance of another person or is a patient in a nursing home. Existing law does not provide coverage for service-connected deaths, thus the need for this legislation as provided in sections 3 and 7.

The Veterans' Administration estimate of the cost of the amended bill follows:

ESTIMATE OF COST—H.R. 13576, 91ST CONG., AS AMENDED

[Dollar amounts in thousands]

	1st year	2d year	3d year	4th year	5th year
Sec. 3 (38 U.S.C., 411):					
(a) Widows	168,200	172,400	177,400	183,400	188,400
Costs	$54,207	$55,565	$57,176	$59,110	$60,721
(b) Children	35,200	3,4000	33,000	32,000	31,000
Costs	$4,800	$4,636	$4,500	$4,364	$4,227
(c) Widows	4,200	4,400	4,500	4,600	4,800
Costs	$2,520	$2,640	$2,700	$2,760	$2,880
Subtotal costs	$61,527	$62,841	$64,376	$66,234	$67,828
Sec. 7:					
Widows	70	75	80	90	100
Costs	$38	$42	$47	$52	$57
Total costs	$61,565	$62,883	$64,423	$66,286	$67,885

The members of the Select Committee to conduct investigation and study of benefits for survivors of deceased members and former members of the Armed Forces, 84th Congress, were chairman, Porter Hardy, Jr., Representative from Virginia, Paul J. Kilday, Representative from Texas, OLIN E. TEAGUE, Representative from Texas, William H. Bates, Representative from Massachusetts, and Robert W. Kean, Representative from New Jersey.

Mr. TEAGUE of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. ADAIR), the ranking Republican member on the subcommittee.

Mr. ADAIR. Mr. Speaker, I rise in support of H.R. 13576. This bill will authorize long-overdue increases in the rates of dependency and indemnity compensation payable monthly to widows and children of men who died in service or as the result of service-connected disability. Additionally, the bill will revise the method of computing such payments.

Under existing law, the widow of a man whose death is attributable to military service receives a monthly payment of $120 plus 12 percent of the basic pay received by a serviceman whose rank and length of service are the same as that of the deceased spouse. Thus, it follows that each time military pay is increased, the widow receives a nominal increase in monthly dependency and indemnity compensation. Unfortunately, the several increases in military pay that have occured since this survivors' benefit program was first established in 1957 have not been distributed evenly among all military ranks. Our efforts to make career military service more attractive—a most commendable objective—have resulted in greater increases for certain ranks than for others. As a result, monthly payments to service-connected widows have become disproportionate.

For example, the cost of living since January 1, 1957, has increased approximately 33.8 percent. During the same period the rate of dependency and indemnity compensation payable to the widow of an E–1 private has increased 12.9 percent. On the other hand, the rate of payment for the widow of an O–10 general has increased 64.5 percent during the same period.

The measure before us today will to a great extent correct this disparity. First of all, the bill eliminates the present method of computing payments to survivors and substitutes a definite schedule of payments for each military rank. Future increases in these payments would result from direct congressional action rather than action to increase military pay. Additionally, the bill provides increases to those widows whose monthly payments have lagged substantially behind the increase in the cost of living. In the example previously cited, the widow of an E–1 private would be increased from $140 monthly to $167 monthly, while the widow of an O–10 general would continue to receive the same payment of $426 monthly.

The bill also authorizes an additional payment of $20 a month for each minor child.

The bill further removes a disparity in existing law by authorizing a supplemental payment of $50 monthly to service-connected widows receiving survivor benefits if they are patients in nursing homes or are so helpless or blind as to require the regular aid and attendance of another person. Existing law authorizes this benefit for the widow of a veteran who died from causes unrelated to military service. It follows that the same benefit should be made available to the service-connected widow.

Mr. Speaker, I strongly support this bill and urge that it be passed.

Mr. TEAGUE of Texas. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, I would like for the House to know that I shall ask unanimous consent to substitute this bill for the Senate bill, S. 1471. The Senate bill gave each person a $10 a month increase which our committee felt was very unfair. That is the reason for the request which will be made to substitute the House bill for the Senate bill.

Mr. TEAGUE of California. Mr. Speaker, I have no further requests for time.

Mr. TEAGUE of Texas. Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. Mr. Speaker, I rise in support of H.R. 13576. I am proud to be a member of the subcommittee that passed the bill to the full Veterans' Affairs Committee.

Even though this bill will cost some money, in my opinion and the opinion of our committee, it was felt that the widows and survivors of deceased veterans who lost their lives in the service of their country are entitled to this pension increase.

Since the last DIC raise there has been a 34 percent increase in the living cost of the people of this country. The raise we have submitted today would be a 34 percent raise for widows of those deceased servicemen who were of the lowest rank and the raises decrease as the ranks go higher.

This increase will help those widows whose husbands lost their lives in the Vietnam war, since 80 percent of those Americans killed in Vietnam were E–2, E–3, E–4, and E–5's and second lieutenants, first lieutenants, and captains. This bill mainly helps the survivors of the lower ranked servicemen.

Another important part of this legislation will provide $50 a month to widows of service-connected causes who are declared eligible for the need of aid and attendance. Widows of non-service-connected causes have for several years been drawing the $50 for aid and attendance. It was simply an oversight that widows of service-connected causes were not covered.

I urge your support for this needed legislation.

Mr. TIERNAN. Mr. Speaker, I rise in support of H.R. 13576, a bill to increase the rates of dependency and indemnity compensation to widows of Veterans.

Title 38 of the United States Code was originally formulated to insure that widows of veterans receive equity in compensation payments, but unfortunately, the increases in the cost of living have worked against this. It is only fair that we make sure widows receive increases which reflect the prices they are forced to pay for the goods and services that they need.

The purpose of this bill is to provide increases in the amount, so that for each grade, there will be an increase at least equal to that which has occurred in the rise in cost of living expenses. This bill would liberalize the dependency and indemnity compensation program so as to remedy the present inequitable situation.

My fellow Members will surely understand how important this bill is to those who are dependent on it.

Mr. DORN. Mr. Speaker, the Committee on Veterans' Affairs Subcommittee on Compensation and Pension, of which I am privileged to be chairman, conducted hearings and studied numerous proposals to provide a much deserved increase in dependency and indemnity compensation rates payable to widows of veterans whose deaths are due to service-incurred disabilities. A brief analysis of the present DIC rates and the structure of this program will clearly show that it has not provided for these widows what I sincerely believe to be the desire and intent of this Nation, and especially the Members of Congress.

Because of the present structure of the DIC program, the cost-of-living increases received by most widows, and especially those whose husbands were of the lower enlisted or officers ranks and I might add, Mr. Speaker, where the greater number of combat deaths have occurred, have fallen very short in keeping pace with the actual increase in the cost of living. Under the present DIC program, the monthly rate of benefit payable to an eligible widow is $120 plus 12 percent of the basic pay of the serviceman. This bill proposes to change this present formula by providing a specific rate of pay for each grade or rank, thus eliminating future inequities which have

occurred in the past. It increases the present minimum rate of approximately $134 a month to a minimum of $167 per month with appropriate increases for all other widows whose benefits have been increased very little if any in the past under the present payment formula. The bill further proposes to grant for the first time an additional $50 monthly aid-and-attendance allowance for any widow receiving DIC benefits who is suffering from disabilities of such severity to require the aid and attendance of another person or who is a patient in a nursing home. Whereas under the present DIC program widows receive additional benefits for children only in rare circumstances, this bill proposes to increase the widows' DIC payments by $20 per month for each child under the age of 18.

Mr. FEIGHAN. Mr. Speaker, I support H.R. 13576, which would increase the rates of dependency and indemnity compensation payable to widows of veterans. It is imperative that we provide adequately for the families of those members of our armed services who have so valiantly given of their lives in defense of our country.

Despite former rate increases, the monthly benefits have not kept pace with rises in the cost-of-living which so afflicts those citizens on a fixed income. This has especially affected widows of veterans in the lower enlisted ranks, but it is those ranks which contribute the greatest number of casualties in military conflicts. The proposed legislation would increase rates payed to survivors of veterans whose grade or rank at the time of a service-connected death was E–1, recruit, through W–3, warrant officer. The rates paid to survivors of higher grade officers will remain the same since these have kept race with, or exceeded, the rise in the cost of living.

Whatever compensatory rate we set, however, can in no way begin to compare with the tremendous loss these widows have suffered. Since we cannot presume to set a price on a life, we are obliged to do the best possible for them.

At a time when refusing or avoiding induction into the armed services has become increasingly prevalent, it is most important that we recognize and honor the great service performed for our country by those men who sacrifice their lives in our behalf. We are grossly indebted to them and to their survivors who deserve all we are able to offer so humbly in the way of compensation.

I urge united support of H.R. 13576 in behalf of the many thousands of widows whose husbands have died in defense of freedom.

Mr. DONOHUE. Mr. Speaker, I hope and urge that this bill before us, H.R. 13576, will be speedily and overwhelmingly approved as a matter of simple moral and economic justice to the widows and children of our war veterans.

In basic summary the bill is designed to equitably adjust, for those who need it most, rising costs of living allowances in dependency and indemnity compensation payable to veterans' widows; increase this compensation if the widow is helpless at home or a nursing home patient; and approve an additional $20 per month in the allowance for a child under 18 unrelated to social security and railroad retirement payments.

Mr. Speaker, I submit there could not be a more timely occasion for this just action in concern for our veterans' widows and children than this period of increasingly higher living costs and tragic uncertainty affecting individuals, and their families, now serving in our Armed Forces or who may be called to such service.

This measure is unquestionably in a national interest; it is prudent, and it is essentially needed by those affected. Let us, then, resoundingly approve it without delay.

Mr. SAYLOR. Mr. Speaker, I urge the passage of H.R. 13576. I support this bill, principally because it will increase monthly payments of dependency and indemnity compensation paid to widows and children of servicemen who gave their lives for our country or who died as the result of a service connected disability. This bill will revise the method of computing DIC payments, thus permitting Congress to increase payments in the future as the need arises rather than awaiting an increase in military pay. Under the current method, widows receive a slight increase in DIC payments each time military pay is increased. These increases, unfortunately, have not kept pace with the rising cost of living. I believe this bill offers a far better solution. Also, under this bill, widows will receive an additional payment of $20 monthly for each minor child.

Finally, Mr. Speaker, this bill will provide a monthly supplemental allowance of $50 for widows who require the regular aid and attendance of another person or who are patients in nursing homes. This payment is already provided in existing law for widows of non-service-connected veterans who meet this disability criteria. It is only fair that this benefit be included for the widows of service connected deceased veterans. The bill is a good bill and I recommend that it be passed.

Mr. TEAGUE of Texas. Mr. Speaker, I support H.R. 13576. This bill provides increased payments and revises the method of computation of dependency and indemnity compensation payments payable to the widows of deceased veterans or servicemen whose deaths are service connected. These survivor benefits payments are presently based on a formula related to rank or grade and length of service. This formula authorizes monthly payments of $120 plus 12 percent of the basic pay of a serviceman whose rank and length of service are the same as that of the deceased spouse of the widow. This formula has resulted in increases in payments which have not been uniform since the original enactment of the program in 1957. Some categories of widows have received increases that have not kept pace with the rising cost of living.

The bill before the House today will rectify this situation by deleting the complex formula of existing law and substituting a schedule of payments that pays the widow of a private $140 monthly with increased payments based upon the rank of the deceased veteran to a maximum of $426 for the four-star general.

In addition, the bill authorizes a payment of $20 monthly for each minor child.

Mr. Speaker, enactment of this legislation is long overdue and I urge that it be passed.

Mr. MATSUNAGA. Mr. Speaker, I rise in support of H.R. 13576, which would increase the rates of dependency and indemnity compensation payable to the widows of veterans.

The problem of providing for the survivors of deceased members and former members of the Armed Forces, in cases where death is related to such service, has been a matter of continuing concern for our Government. The Congress has long recognized the Nation's obligation to these survivors, and passed laws providing for their financial support.

The key to our program of providing dependency and indemnity compensation to widows is a formula based on a fixed amount plus 12 percent of the basic pay of the deceased serviceman husband. It was the intent of Congress, when the formula was first included in the Servicemen's and Veterans' Survivor Benefits Act of 1956, that a twofold purpose would be achieved: First, to enable the widow to meet the rising costs of living, and, second, to provide career incentives to our men in uniform. We are now informed that, despite the enactment of implementing legislation in recent years, this purpose has not been fully achieved.

Analysis of the eight pay increases granted the Armed Forces since the 1956 act shows that the percentages of increase in dependency and indemnity compensation have not been uniform. Moreover, in the actual application of the formula, it has been found that the widow's rate is increased by only 12 percent of the full cost-of-living increase granted members of the Armed Forces. As our Committee on Veterans' Affairs succinctly points out, for each $8.33 increase in basic pay, the widow's dependency and indemnity compensation goes up by only $1, thus failing to provide any significant assistance, especially to lower enlisted-grade widows.

The principal thrust of the bill before us is to accomplish the equity that was intended but not achieved in the basic 1956 law. It would provide greater proportional increases for widows of men in the lower enlisted grades, where the need is acute. It would correct the unintended result in some of the higher grades where the increase paid the widow has exceeded the rise in the cost of living. In every case there will be an increase at least equal to that which occurred in the rise in the cost of living.

Mr. Speaker, H.R. 13576 would bring the rates of dependency and indemnity compensation payable to widows of veterans in line with the original congressional intent. It is now the responsibility of this Congress to see that that intent is properly implemented in view of the post-legislative experience since 1956. I therefore urge a unanimous vote for H.R. 13576.

Mr. RANDALL. Mr. Speaker, I am delighted that there may be an opportunity for all Members to be on the record by a rollcall vote to indicate their support of H.R. 13576.

It is a measure designed to increase the rates of dependency and indemnity compensation payable to the widows of veterans. Not only does it provide for increased payments but revises the method of computation going to those widows of deceased veterans or those men whose deaths are service connected.

We should recall that the basic law for benefits to survivors of those whose death is related to a service is an enactment of the 84th Congress back in 1956 which is cited as the Serviceman's and Veterans' Survivors Benefit Act. That act had a complex and interlocking provision. In general it had a formula related to rank or grade, being $112 plus 12 percent of the basic pay received by the serviceman whose rank and length of service was the same as the deceased spouse.

Of course it has been argued that Congress intended then that the monthly rates of compensation would rise as the serviceman's basic pay was increased. Such raises would not only have served as an incentive to make the Armed Forces a career but would also have provided for the rising cost of living.

Unfortunately, since the enactment of this Survivor's Benefit Act, eight pay increases have been granted the Armed Forces. Finally in 1963, in the 88th Congress a bill was passed which set the basic rate at $120 in lieu of the old $112 rate. The result was that there were some needed adjustments or increases because of rise in cost of living but mostly in the higher enlisted grades and officer grades.

Statistics will show that most of the deaths in Vietnam are in the lower enlisted grades. The very worthy and worthwhile provisions of this bill are to provide increases in such a manner in each grade that there will be an increase at least equal to that which has occurred in the rise in the cost of living. The facts will show that the Consumer Price Index since January 1, 1957, has increased by 33.8 percent. The percent increase of the different grades or ranks appear to be in the range from 34 to 37 percent with some increases running as much as 50 percent.

These survivors of our deceased servicemen deserve this long overdue increase based upon the rise in the cost of living.

H.R. 13576 merits the support of every Member.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. TEAGUE) that the House suspend the rules and pass the bill, H.R. 13576, as amended.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend title 38 of the United States Code to increase the rates of dependency and indemnity compensation payable to widows of veterans, and for other purposes."

A motion to reconsider was laid on the table.

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Veterans' Affairs be discharged from further consideration of the bill (S. 1471) to amend chapter 13 of title 38, United States Code, to increase dependency and indemnity compensation for widows and children, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

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

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1471

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 411 of title 38, United States Code, is amended to read as follows:

"§ 411. Dependency and indemnity compensation to a widow

"(a) Dependency and indemnity compensation shall be paid to a widow at a monthly rate equal to $130 plus 12 per centum of the basic pay of her deceased husband or at a monthly rate of $170, whichever is greater.

"(b) If there is a widow and one or more children below the age of eighteen of a deceased veteran, the dependency and indemnity compensation paid monthly to the widow shall be increased by $20 for each such child.

"(c) The monthly rate of dependency and indemnity compensation payable to a widow shall be increased by $50 if she is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person and by an additional $25 if the death of her deceased husband resulted from an injury or disease received as a direct result of armed conflict or while engaged in extrahazardous service.

"(d) If the amount determined under subsection (a) involves a fraction of a dollar, the amount payable thereunder shall be increased by the Administrator to the next higher dollar.

SEC. 2. Section 413 of title 38, United States Code, is amended to read as follows:

"§ 413. Dependency and indemnity compensation to children

"Whenever there is no widow of a deceased veteran entitled to dependency and indemnity compensation, dependency and indemnity compensation shall be paid in equal shares to the children of the deceased veteran at the following monthly rates:

"(1) One child, $88.

"(2) Two children, $127.

"(3) Three children, $164.

"(4) More than three children, $164, plus $32 for each child in excess of three."

SEC. 3. (a) Subsection (a) of section 414 of title 38, United States Code, is amended by striking out "$29" and inserting in lieu thereof "$32".

(b) Subsection (b) of section 414 of such title is amended by striking out "$80" and inserting in lieu thereof "$88".

(c) Subsection (c) of section 414 of such title is amended by striking out "$41" and inserting in lieu thereof "$45".

SEC. 4. Section 322 of title 38, United States Code, is amended by (1) inserting "(a)" immediately before "The"; and (2) adding at the end thereof the following subsections:

"(b) The monthly rate of death compensation payable to a widow under subsection (a) of this section shall be increased by $50 if she is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person, and by an additional $25 if the death of the veteran resulted from an injury or disease received as a direct result of armed conflict or while engaged in extrahazardous service."

SEC. 5. (a) The first sentence of section 417(a) of title 38, United States Code, is amended by inserting "(1)" immediately after "unless", and by striking out the period at the end of such sentence and inserting in lieu thereof a comma and the following: "or (2) the total amount payable to the widow, children, or parents of such veteran under any such policy has been paid and such amount when added to any amounts paid as death compensation is equal to or less than the total amount which would have been payable in dependency and indemnity compensation following the death of such veteran if such widow, children, or parents had been eligible for such compensation upon the death of such veteran. Any person receiving death compensation at the time he becomes eligible for dependency and indemnity compensation pursuant to clause (2) of the preceding sentence shall continue to receive such death compensation unless he makes application to the Administrator to be paid dependency and indemnity compensation. An election by such person to receive dependency and indemnity compensation shall be final."

(b) The last sentence of section 417(a) of such title is amended by striking out "preceding sentence" and inserting in lieu thereof "first sentence".

(c) No dependency and indemnity compensation shall be payable to any person by virtue of the amendments made by subsection (a) of this section for any period prior to the effective date of this act.

SEC. 6. The amendments made by this Act shall become effective on the first day of the second calendar month following the month in which this Act is enacted.

AMENDMENT OFFERED BY MR. TEAGUE OF TEXAS

Mr. TEAGUE of Texas. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TEAGUE of Texas: Strike out all after the enacting clause of the bill S. 1471, and insert the language of the bill H.R. 13576, as passed by the House.

The amendment was agreed to.

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

The title was amended so as to read: "A bill to amend title 38 of the United States Code to increase the rates of dependency and indemnity compensation payable to widows of veterans, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 13576) was laid on the table.

AMENDMENTS TO NON-SERVICE-CONNECTED PENSION PROGRAM

Mr. TEAGUE of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 372) to modify the reporting requirement and establish additional income exclusions relating to pension for veterans and their widows, to liberalize the bar to payment of benefits to remarried widows of veterans, to liberalize the oath requirement for hospitalization of veterans, and for other purposes, as amended.

The Clerk read as follows:

H.R. 372

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (d) of section 103 of title 38, United States Code, is amended by inserting "(1)"

immediately after "(d)" and by adding at the end of said subsection the following:

"(2) The remarriage of the widow of a veteran shall not bar the furnishing of benefits to her as the widow of the veteran if the remarriage has been terminated by death, or has been dissolved by a court with basic authority to render divorce decrees unless the Veterans' Administration determines that the divorce was secured through fraud by the widow or collusion.

"(3) If a widow ceases living with another man and holding herself out openly to the public as his wife, the bar to granting her benefits as the widow of the veteran shall not apply."

SEC. 2. (a) If a widow termintes a relationship or conduct which resulted in imposition of a prior restriction on payment of benefits, in the nature of inference or presumption of remarriage, or relating to open and notorious adulterous cohabitation or similar conduct, she shall not be denied any benefits by the Veterans' Administration, other than insurance, solely because of such prior relationship or conduct.

(b) The effective date of an award of benefits resulting from enactment of subsection (a) of this section shall not be earlier than the date of receipt of application therefor, filed after termination of the particular relationship or conduct and after December 31, 1969.

SEC. 3. Subsection (b) of section 3104 of title 38, United States Code, is amended by striking out "paragraph (2)" in paragraph 1 thereof and inserting in lieu thereof "paragraphs (2) and (3)" and by adding at the end thereof the following new paragraph:

"(3) Benefits other than insurance under laws administered by the Veterans' Administration may not be paid to any person by reason of the death of more than one person to whom he or she was married; however, the person may elect one or more times to receive benefits by reason of the death of any one spouse."

SEC. 4. Section 3010 of title 38, United States Code, is amended by adding at the end thereof the following new subsections:

"(l) The effective date of an award of benefits to a widow based upon termination of a remarriage by death or divorce shall be the date of death or the date the judicial decree of divorce becomes final, if an application therefor is received within one year from such termination.

"(m) The effective date of an award of benefits to a widow based upon termination of actions described in subsection 103 (d)(3) of this title shall not be earlier than the date of receipt of application therefor filed after termination of such actions and after December 31, 1969.".

SEC. 5. Section 506(a)(2) of title 38, United States Code, is amended by striking out the comma after "child" and inserting in lieu thereof "or a person who has attained seventy-two years of age and has been paid pension thereunder for two calendar years,".

SEC. 6. Section 503 of title 38, United States Code, is amended—

(a) by inserting before "United" in paragraph (4) thereof "servicemen's group life insurance,"; and

(b) by substituting a semicolon for the period at the end of said section and adding the following new paragraphs:

"(14) amounts equal to prepayments on an indebtedness secured by a mortgage, or similar type security instrument, on real property (which was prior to death the principal residence of a veteran and spouse) made by the veteran or his widow, after the death of the spouse, during the year of death and the succeeding year, if said indebtedness was in existence at the time of death;

"(15) amounts in joint accounts in banks and similar institutions acquired by reason of death of other joint owner;

"(16) payments received by a retired employee from his former employer as reimbursement for monthly premiums for supplementary medical insurance benefits for the aged provided by part B of title XVIII of the Social Security Act, as amended;

"(17) payments of annuities elected under chapter 73 of title 10."

SEC. 7. Section 415(g)(1) of title 38, United States Code, is amended (1) by inserting "and under the first sentence of section 9(b) of the Veterans' Pension Act of 1959" immediately before the semicolon at the end of subparagraph (C), (2) by striking out the period at the end thereof and inserting in lieu thereof a semicolon, and (3) by adding at the end thereof the following new subparagraph:

"(M) payments of annuities elected under chapter 73 of title 10."

SEC. 8. Section 1441 of title 10, United States Code, is amended by striking out "except section 415(g) and chapter 15 of title 38".

SEC. 9. (a) Paragraph (11) of section 101 of title 38, United States Code, is amended by inserting "the Mexican border period," immediately after "Spanish-American War,".

(b) Such section 101 is further amended by adding at the end thereof the following new paragraph:

"(30) The term 'Mexican border period' means the period beginning on May 9, 1916, and ending on April 5, 1917, in the case of a veteran who during such period served for 90 days or more in Mexico, on the borders thereof, or in the waters adjacent thereto."

(c)(1) Subsection (a) of section 521 of title 38, United States Code, and the heading of section 521, are each amended by inserting "the Mexican border period," immediately before "World War I".

(2) Paragraphs (1) and (2) of subsection (g) of such section 521 are each amended by inserting "the Mexican border period," immediately before "World War I".

(d)(1) Subsection (a) of section 541 of such title is amended by inserting "the Mexican border period," immediately before "World War I".

(2) Subsection (e)(1) of such section 541 is amended by inserting "Mexican border period or" immediately before "World War I".

(3) The heading of such section 541 and the catchline immediately before such heading are each amended by inserting "Mexican border period," and "MEXICAN BORDER PERIOD,", respectively, immediately before "World War I" and "WORLD WAR I."

(e)(1) Subsection (a) of section 542 of title 38, United States Code, is amended by inserting "the Mexican border period," immediately before "World War I".

(2) The heading of section 542 of such title is amended by inserting "Mexican border period," immediately before "World War I".

(f) Subsection (h) of section 612 of title 38, United States Code, is amended by inserting "the Mexican border period,", immediately before "World War I,".

(g) Section 901 of title 38, United States Code, is amended—

(1) by deleting "of Mexican border service,"; and

(2) by revising subsection (c) thereof to read as follows:

"(c) For the purpose of this section, the term 'Mexican border period' as defined in paragraph (30) of section 101 of this title includes the period beginning on January 1 1911, and ending on May 8, 1916.".

(h) The table of sections at the beginning of chapter 15 of title 38, United States Code, is amended—

(1) by inserting "the Mexican border period," immediately after "521. Veterans of";

(2) by striking out: "World War I, World War II, the Korean conflict, and the Vietnam era

"541. Widows of World War I, World War II, Korean conflict, or Vietnam era veterans.

"542. Children of World War I, World War II, Korean conflict, or Vietnam era veterans."

and inserting in lieu thereof: "Mexican border period, World War I, World War II, Korean conflict, and the Vietnam era

"541. Widows of Mexican border period, World War I, World War II, Korean conflict, or Vietnam era veterans.

"542. Children of Mexican border period, World War I, World War II, Korean conflict, or Vietnam veterans."

SEC. 10. The Secretary of the Treasury is authorized and directed to redeem at par the United States Treasury bonds numbered 32870D, 68196F, and 69197H in the aggregate face amount of $25,000, maturing June 15, 1983, if such bonds are presented to the Secretary of the Treasury for redemption by the United Spanish War Veterans within one year after the date of the enactment of this Act.

SEC. 11. This Act shall take effect on January 1, 1970.

The SPEAKER pro tempore. Is a second demanded?

Mr. TEAGUE of California. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the first four sections of this bill amend the existing remarriage requirements now contained in Veterans' Administration law. Generally speaking, these Veterans' Administration requirements bar the payment of compensation, pension, and education benefits upon remarriage and are considerably more restrictive than those found in some other federally administered programs such as social security and civil service retirement. This is shown by the table which follows:

EFFECT OF REMARRIAGE OF WIDOWS ON BENEFITS UNDER CERTAIN FEDERAL PROGRAMS

Federal program	Effect of remarriage	Effect of termination of remarriage
Veterans' Administration benefits	Terminates monthly payments permanently—unless remarriage is void, or has been annulled by a court with basic authority to render annulment decrees.	None.
Social security	1. Remarriage under age 60 terminates payments	1. Payments resumed at age 60 or older.
	2. Remarriage at age 60 or over, payments continue at reduced rate (reduced from 82½ percent of the primary insurance amount to 50 percent of such amount).	2. Full payments restored
Civil service retirement	1. Remarriage under age 60 terminates payments	1. Payments restored at any age.
	2. Remarriage at age 60 or over: none (i.e., full benefits continue).	2. None.
Railroad retirement	Terminates monthly payments permanently	None.
Federal employees compensation	Terminates monthly payments permanently—Lump-sum settlement equal to 24 monthly payments.	None.

The basic change of the first four sections is to permit a widow, who has remarried, to revert to her earlier eligibility when her second marriage is ended by death or divorce.

Section 5 would remove the current mandatory requirements for the annual reporting of income and corpus of estate for those persons on the non-service-connected pension rolls who are 72 years of age or older who have received pension for 2 or more years and who have had no change in income. There would be no change in the authority of the administrator to require clarification or proof of income and corpus of estate, when such action is indicated, by this group of individuals age 72 or more. There is reason to believe that this change would produce some administrative savings and would certainly make administration simpler.

Section 6 of the bill would add five exclusions from reportable income under the non-service-connected pension program. These are—

First. Servicemen's group life insurance program;

Second. Amounts equal to prepayments made on indebtedness secured by a mortgage on real property;

Third. Amounts in a joint bank account acquired by reason of death of the joint owner;

Fourth. Payments made by a former employer to retired employee as reimbursement for premiums paid by the retiree on supplemental health and medical insurance; and

Fifth. Proceeds from retired serviceman's family protection plan provided in 10 U.S.C. 73.

At its inception the plan mentioned in item (5) provided that annuities thereunder should not be considered income under any law administered by the Veterans' Administration.

Section 7 provides exclusion from income, for dependency and indemnity compensation purposes, of annuities of the retired serviceman's family protection plan—item 5 in section 6—and of pension under laws in existence prior to July 1, 1960, when Public Law 86–211 became operative.

Section 8 is a technical amendment to the mentioned family protection plan to conform to the provisions of sections 6 and 7 relating to that plan.

Section 9 includes as beneficiaries those individuals who served on the Mexican border in the period immediately preceding World War I. This section would in effect give pension and certain other benefits available for World War I service to those veterans and the widows and children of such veterans who served during this prescribed period of time immediately before the onset of World War I. The defined period is that which begins on May 9, 1916, and ending on April 5, 1917, the date of the beginning of World War I and service of at least 90 days or more is required in Mexico, on the borders of Mexico, or waters adjacent to Mexico.

Section 10 authorizes the Secretary of the Treasury to redeem three bonds held by the United Spanish War Veterans in the total amount of $25,000 which mature June 15, 1983. These bonds purchased in 1954 for $25,000 would, if sold on the open market today, result in the loss of several thousand dollars to the holder of the securities. Admittedly, it was a mistake for the organization to purchase these bonds. Equity would seem to dictate that this provision be enacted since the average age of the United Spanish War Veterans is 89 and that 14 years from now very few, if any, would be living to utilize the proceeds of these bonds.

The Veterans' Administration favors the enactment of sections 1 through 5, indicates that any cost as a result of section 6 would not be significant and would be opposed to that and the other sections of the bill, while deferring to the Treasury insofar as the section relating to the United Spanish War Veterans is involved. The Treasury is opposed to the proposal in section 10.

The cost of the first four sections of the bill is $8,538,000 the first year rising to $9,206,000 the fifth year. No cost involved in sections 5 and 10. Other sections are not costed by the Veterans' Administration.

Mr. Speaker, the bills which the House has considered today in the field of veterans' affairs all originated in the Subcommittee on Compensation and Pension where they were the subject of hearings on September 3 and 4. All the members of that subcommittee have been diligent in perfecting the legislation which has been presented to the House. The gentleman from South Carolina, the chairman of the subcommittee, Mr. DORN, and his colleagues spent considerable time, particularly on the bill, H.R. 13576, because it is a difficult matter and one in which it is essential that we do equity.

I commend the subcommittee chairman and his colleagues for their activity on this subcommittee on the bills H.R. 372, 10106, 10912, and 13576.

The other members of the subcommittee are the Honorable RAY ROBERTS, the Honorable G. V. (SONNY) MONTGOMERY, the Honorable E. ROSS ADAIR, the Honorable JOHN P. SAYLOR, and the Honorable WILLIAM LLOYD SCOTT.

The SPEAKER pro tempore. The Chair recognizes the gentleman from California (Mr. TEAGUE).

Mr. TEAGUE of California. Mr. Speaker, this bill, too, has my unqualified support. It was reported out of our committee unanimously.

Mr. Speaker, again I yield to the gentleman from Indiana (Mr. ADAIR), the ranking Republican member of the subcommittee that had jurisdiction of the bill, such time as he may consume.

Mr. ADAIR. Mr. Speaker, I rise in support of H.R. 372. This bill, as amended, will: First, restore veterans survivor benefits to remarried widows upon the termination of their remarriage; second, eliminate the annual reporting of income for pension purposes to veterans who have reached the age of 72 years and have been paid pension for 2 calendar years; third, permit the exclusion of certain additional types of income from the computation of income for pension purposes; fourth, confer upon veterans of the Mexican border campaign benefits similar to that payable to wartime veterans; and fifth, authorize the Secretary of the Treasury to redeem at par within 1 year three bonds totaling $25,000 scheduled to mature in 1983 and held by the United Spanish War Veterans organization.

Under existing law, Mr. Speaker, survivor benefits payable to widows of veterans terminate permanently upon the remarriage of the widow. This measure will permit payments to resume upon the termination of the remarriage. Existing law, with respect to veterans' widows is more restrictive than similar provisions for widows in receipt of social security or civil service retirement payments. Enactment of this provision will make veterans' survivor benefits less restrictive and more comparable to other federally administered programs.

Existing law requires that veterans in receipt of pension report annually their income from other sources. This requirement creates a tremendous administrative workload in the Veterans' Administration at the end of each calendar year. From the point of view of the veteran pensioner, it creates confusion and misunderstanding of the types of income that must be reported. The experience of the Veterans' Administration indicates that the income has generally stabilized and become static by the time a veteran reaches the age of 72 years and has been on the pension rolls for 2 years. Accordingly, there is reason to believe that this change will produce some administrative savings and would reduce the possibility of error in completing the necessary report.

The third major provision of this bill relates to income exclusions. Existing law bases eligibility for pension upon the amount of income from other sources. Certain types of income are not counted as income for pension purposes. This section of the bill would permit the exclusion of: First, the proceeds from a serviceman's group life insurance policy, second, amounts equal to prepayments made on real estate mortgages, third, amounts in a joint bank account acquired by reason of the death of the joint owner, fourth, payments made by a former employer to a retired employee as reimbursement for supplemental medicare premiums and, fifth, proceeds from the retired serviceman's family protection plan. The Veterans' Administration has indicated that the costs of authorizing these additional income exclusions for pension purposes would not be significant.

I am certain that many Members have received correspondence over the years from the veterans who served on the Mexican border prior to the beginning dates of World War I. The service performed in many cases was more arduous than that of men who served in our Nation's later wars. Yet, this type of service does not qualify for wartime veterans benefits. The bill before us today confers wartime benefits upon those veterans who served for at least 90 days or more in Mexico, on the borders thereof, or in waters adjacent thereto. Between May 9,

1916, and April 5, 1917, the principal benefits authorized by this legislation is entitlement to non-service-connected pension. The average age of this group is in excess of 75 years and their numbers are few. I believe that this benefit should be authorized.

Finally, Mr. Speaker, this bill authorizes an early maturity of three Treasury bonds totaling $25,000 held by the United Spanish War Veterans. The bonds are scheduled to mature June 15, 1983. Since the average age of the members of this organization is 89 years and the bonds will not mature for 14 years, it is highly unlikely that the organization could capitalize upon this investment. Yet, if the bonds were sold today, the organization would stand a loss on their investment. Admittedly, this organization was ill-advised to purchase such bonds. In recognition of the sacrifice these men made for our Nation many years ago, however, I am in favor of this provision of the bill that would permit the early maturity of these bonds.

Mr. Speaker, this bill has merit and I urge that it be passed.

Mr. HORTON. Mr. Speaker, there are two bills before the House today to which I gave my full support. These two veterans bills, H.R. 13576 and H.R. 372, deserve immediate and a favorable vote, and I urge my colleagues not to delay a moment longer.

The amendments to the non-service-connected pension program for veterans are measures that are long overdue. This legislation is a first step in curing the inequities on income limitations for nonservice-connected pensions for veterans.

I am certain many of my colleagues have received letters from veterans—veterans who have served their country well—but who have been denied pensions, because they come just over the borderline on income limitation. These are sad letters from men in their older years who deserve to live out their remaining life in dignity and freedom from financial strain, but instead, they are struggling to exist.

H.R. 372 will alleviate to some extent these regrettable situations. In addition, the bill will put no income limitation on those who are 72 or older and who have received a pension for 2 years or more.

It also adds five exemptions from reportable income: First, servicemen's group life insurance; second, amounts equal to prepayments made on indebtedness secured by a mortgage on real property; third, amounts in a joint bank account acquired by reason of death of the joint owner; fourth, payments made by a former employer to a retiree as reimbursement for premiums paid on supplemental health and medical insurance; and fifth, proceeds from retired serviceman's family protection plan.

In addition, this legislation also permits a widow, who has remarried, to revert to her earlier eligibility when her second marriage is ended by death or divorce. This provision will lessen the requirement which is considerably more restrictive than that in other federally administered programs such as social security and civil service retirement.

Another group of veterans that this bill will help are those who served on the Mexican border between May 9, 1916 and April 5, 1917. This would in effect give the same pension and benefits available to World War I veterans and their widows and children to those who served before the onset of World War I.

The other bill, H.R. 13576 is to provide a just treatment of survivors of deceased members of the Armed Forces. As the law now stands, compensation to widows and children have not kept up with the rising cost of living.

In many instances, lower enlisted grade widows have not received increases reflecting the rise in the cost of living while some of the higher grade widows have received increases exceeding the rise in the cost of living.

This bill provides an increase at least equal to the rise in the cost of living for each grade. H.R. 13576 provides a $20 increase a month for each child below the age of 18 of a deceased veteran. It will increase the dependency, indemnity, and death compensation by $50 if the widow is a patient in a nursing home, or helpless or blind to the extent of requiring the regular attendance of another person.

Both of these measures need our immediate attention. They do not solve all the inequities of our present system but they are a step forward. In addition to the financial assistance, these measures illustrate, in small measure, our gratitude to the men and women who have so gallantly given so much for all Americans. I urge all our colleagues to support H.R. 372 and H.R. 13576.

Mr. DORN. Mr. Speaker, I am pleased to rise in support of H.R. 372 as it provides many long sought and worthwhile benefits for this Nation's needy and elderly veterans as well as their dependents. I am privileged to serve as chairman of the Subcommittee on Compensation and Pension of the Committee on Veterans' Affairs which originally considered and conducted hearings on this bill. I am very happy to state that this bill was strongly supported by every veterans' organization representative who appeared before the committee, and this is especially true of the veterans of World War I, inasmuch as this bill encompasses many of the legislative objectives of that organization. Benefits provided by this bill are not limited to the veterans of World War I, but because the average age of the World War I veteran is approximately 75, they will be the greater recipients of its benefits.

This bill proposes to restore eligibility to VA benefits to remarried widows of veterans whose remarriage has been terminated by death or proper legal action. This privilege is now provided for recipients of most other Government benefits such as social security and civil service retirement annuities.

It provides that a veteran 72 years of age or older and who has been on the pension rolls for 2 or more years shall not be required to complete the annual VA income questionnaire. This it is believed will represent an administrative savings to the VA and will relieve from the elderly, seriously disabled veteran whose income is generally static, an unneeded burden.

This bill provides additional income exclusions for the nonservice-connected pension program. Among these being the amounts in a joint bank account acquired by the reason of death of the joint owner.

This bill proposes to finally give nonservice-connected pension benefits to a group of combat veterans who saw service along the Mexican border prior to World War I.

This bill warrants the favorable consideration of each Member of this House, Mr. Speaker, and I urge its adoption.

Mr. DONOHUE. Mr. Speaker, I support and most earnestly hope that this bill, H.R. 372, of immense concern to our war veterans, their widows, and families will be unanimously adopted.

I further most earnestly hope and urge that the provisions affecting the United Spanish War veterans and veterans who served on the Mexican border immediately before the onset of World War I will be accepted and retained within the bill, because they are obviously projections of merit and justice.

In basic summary this measure proposes to sensibly relax the remarriage regulations concerning the eligibility of veterans' widows for certain veterans' benefits; modify the income-reporting requirements in certain pension cases; expand the present exclusions in determining income for pension purposes, and liberalize the oath requirement for hospitalization of certain veterans.

In essence, Mr. Speaker, the measure is designed to equitably modernize certain regulations affecting veterans, their widows, and families and bring them into more realistic accord with the facts and exigencies of today's life and the living conditions surrounding us.

Mr. Speaker, this bill is clearly in the national interest and I urge its speedy adoption.

Mr. SAYLOR. Mr. Speaker, I rise in support of H.R. 372. This bill will permit widows of veterans to be restored to the pension and compensation rolls if they have remarried and their subsequent remarriage has terminated. I am confident that every Member has received correspondence from widows of veterans who were in receipt of survivor benefits which were terminated because of the remarriage of the widow. Despite the fact that the second marriage may have failed, the widow, unfortunately, has forfeited all future rights to veterans' survivor benefits. This bill will permit such widows to be restored to the pension or DIC rolls upon the termination of their remarriage.

Additionally, the bill eliminates the annual reporting of income for pensioners who have reached the age of 72 years and have been on the pension rolls for 2 years. The income of most veterans, Mr. Speaker, has become static by the time they reach the age of 72 years, particularly if they have been in receipt of pension for 2 years. To require the reporting of income annually creates an unnecessary administrative burden for

the Veterans' Administration and an unwarranted headache for older veterans.

Another provision of this bill, Mr. Speaker, will extend wartime benefits to veterans of the Mexican border campaigns of 1916 and 1917. Again, I believe that Members have been continually contacted by this older group of veterans who are not entitled to veterans pension benefits, despite the fact that their service was hazardous. The extension of this benefit to this deserving group of veterans is long overdue and I believe it should be supported by all Members.

Mr. Speaker, this bill has considerable merit and I recommend that it be passed.

Mr. TEAGUE of California. Mr. Speaker, I rise in support of H.R. 372. Under existing law, the payment of compensation, pension, and educational benefits terminates to a widow upon her remarriage. This bill permits a widow who has remarried to revert to her earlier eligibility to benefits when her second marriage is terminated, either by death or divorce. The bill also eliminates the current requirements for annual reporting of income and corpus of estate for those persons on the non-service-connected pension rolls who are 72 years of age and who have received pension for 2 or more years.

The bill also permits the payment of pension to persons who served in the Armed Forces during the period beginning May 9, 1916, and ending April 6, 1917, when the person had 90 or more days of service during the stated period in Mexico, on the borders of Mexico, or the waters adjacent to Mexico.

Mr. Speaker, this is good legislation. With respect to the remarriage provisions of existing veterans' law, it should be pointed out that other Federal programs treat remarried widows more generously than they are treated under veterans' legislation. In most Federal benefit programs, the widow's right to benefits is restored upon termination of her remarriage. This bill attempts to do the same thing for veterans' widows.

Certainly, the World War I veteran, whose average age is approaching 75 years, has reached a stationary income level. The requirement that he continue to report, year after year, this same income, serves no purpose other than to increase the administrative cost and provide a source of irritation to the veteran who must report.

Certainly, the fact that veterans of the Mexican border campaigns of 1916 and 1917 performed difficult and frequently hazardous service cannot be disputed. Therefore, it follows that these men, whose average age is in excess of 75 years, should be entitled to the same benefits as wartime veterans.

Mr. Speaker, I urge the passage of this bill.

Mr. RANDALL. Mr. Speaker, I rise in enthusiastic support of H.R. 372, which provides for liberalization of non-service-connected pension and other veterans programs. This bill accomplishes several worthwhile provisions which should have been enacted into law long before now.

The first four sections of the bill liberalizes the law which relates to the marriage of widows. What Member cannot recall the plea of a widow who has remarried and then reverts to a single status to find that, in spite of these changed circumstances, she cannot qualify as a widow of a deceased serviceman? H.R. 372 quite wisely permits a widow who has remarried to revert to her earlier status of eligibility under the veterans benefits program, if and when her second marriage is terminated by death or divorce.

In our other Federal programs, such as civil service retirement and railroad retirement, there are certain provisions for remarriage and for full benefits to continue. The important difference between these other programs and Veterans' Administration benefits is that, even though some benefits terminate upon remarriage, they are restored at the termination of the remarriage. The same should apply to Veterans' Administration benefits.

Another section of this very meritorious bill would remove the current mandatory requirements for the annual report on all income and the corpus estate of those persons receiving the non-service-connected pensions for age 72 years or over. Here at long last we are extending a long overdue courtesy to those grand men who served in World War I. Not only are we doing justice to these who gave so much for their country in 1917 and 1918, but it is believed that this change will produce administrative savings. It will certainly make administration simpler.

Another section of the bill provides for additional exclusions of income under the non-service-connected pension program. Important in these inclusions is the amounts received in a joint bank account acquired by reason of the death of a joint owner. Another exclusion is the proceeds from servicemen's group life insurance.

Then, in one of the latter sections of the bill provision is made for the payment of pensions to persons who served in the armed services during the period beginning May 9, 1916, and ending April 6, 1917. This could more appropriately be described as the "Mexican border period." This section will provide for a pension of those persons who had 90 or more days of service during this period either in Mexico, on the borders of Mexico, or on the waters adjacent to Mexico.

Mr. Speaker, during several of the Congresses in which it has been my privilege to serve, I have introduced and then reintroduced again a bill providing for pensions for these Mexican border veterans. I had just about despaired of any action ever being taken. Our House Veterans' Affairs Committee deserves the commendation of all Members when they right a wrong that has so long existed. Certainly these Mexican border veterans faced danger as much as those that served in the wars that went before, such as the Spanish-American War. These Mexican border veterans served as valiantly and with as great courage as their comrades served a little later on in World War I. For some reason this group, not large in number, have been passed over again and again. They could be said to be the truly forgotten American veterans. That injustice will be corrected by the enactment of H.R. 372. It is a distinct pleasure to have the opportunity to support such a worthwhile measure as this bill which is before us today.

Mr. TEAGUE of California. Mr. Speaker, I have no further requests for time.

Mr. TEAGUE of Texas. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Texas that the House suspend the rules and pass the bill H.R. 372, as amended.

The question was taken.

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

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

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

The question was taken; and there were—yeas 352, nays 0, not voting 79, as follows:

[Roll No. 205]

YEAS—352

Abbitt	Corbett	Hamilton
Abernethy	Coughlin	Hammer-schmidt
Adair	Cowger	Hanley
Adams	Culver	Hanna
Addabbo	Daddario	Hansen, Idaho
Alexander	Daniel, Va.	Hansen, Wash.
Anderson, Calif.	Daniels, N.J.	Harsha
Andrews, Ala.	Davis, Ga.	Harvey
Andrews, N. Dak.	Davis, Wis.	Hathaway
Annunzio	de la Garza	Hawkins
Arends	Dellenback	Hays
Ashbrook	Dent	Hechler, W. Va.
Ashley	Derwinski	Heckler, Mass.
Aspinall	Devine	Helstoski
Ayres	Dickinson	Henderson
Baring	Diggs	Hicks
Beall, Md.	Dingell	Hogan
Belcher	Donohue	Holifield
Bell, Calif.	Dorn	Horton
Bennett	Dowdy	Hosmer
Betts	Duncan	Hull
Bevill	Dwyer	Hungate
Biaggi	Eckhardt	Hunt
Biester	Edmondson	Hutchinson
Bingham	Edwards, Ala.	Ichord
Blackburn	Eilberg	Jarman
Blanton	Erlenborn	Johnson, Calif.
Boland	Esch	Johnson, Pa.
Bolling	Eshleman	Jones, Ala.
Bow	Evans, Colo.	Jones, N.C.
Brademas	Evins, Tenn.	Jones, Tenn.
Brasco	Fallon	Karth
Bray	Farbstein	Kastenmeier
Brinkley	Feighan	Kazen
Brotzman	Findley	Kee
Brown, Ohio	Fish	Keith
Broyhill, N.C.	Fisher	King
Broyhill, Va.	Flood	Kleppe
Buchanan	Flowers	Koch
Burke, Fla.	Foley	Kuykendall
Burke, Mass.	Ford, Gerald R.	Kyl
Burleson, Tex.	Fountain	Kyros
Burlison, Mo.	Fraser	Landrum
Burton, Calif.	Frelinghuysen	Langen
Bush	Friedel	Latta
Button	Fulton, Pa.	Lennon
Byrne, Pa.	Fulton, Tenn.	Lloyd
Byrnes, Wis.	Fuqua	Long, La.
Cabell	Galifianakis	Long, Md.
Caffery	Gallagher	Lowenstein
Camp	Garmatz	Lukens
Carter	Gaydos	McCarthy
Casey	Gettys	McClory
Chamberlain	Giaimo	McCloskey
Chisholm	Gibbons	McClure
Clancy	Gilbert	McCulloch
Clark	Goldwater	McDade
Clausen, Don H.	Gonzalez	McEwen
Clawson, Del	Goodling	McFall
Cleveland	Gray	McKneally
Cohelan	Green, Oreg.	McMillan
Collier	Griffin	Macdonald, Mass.
Collins	Griffiths	MacGregor
Conable	Gross	Madden
Conte	Grover	Mahon
Conyers	Gubser	Mailliard
	Gude	Marsh
	Hagan	
	Haley	

Martin	Price, Tex.	Stafford
Matsunaga	Pryor, Ark.	Staggers
May	Pucinski	Stanton
Mayne	Purcell	Steed
Meeds	Quie	Steiger, Ariz.
Melcher	Quillen	Steiger, Wis.
Meskill	Railsback	Stokes
Mikva	Randall	Stratton
Miller, Calif.	Rarick	Stubblefield
Miller, Ohio	Rees	Stuckey
Mills	Reid, Ill.	Sullivan
Minish	Reifel	Symington
Mink	Reuss	Talcott
Minshall	Rhodes	Teague, Calif.
Mize	Riegle	Teague, Tex.
Mizell	Rivers	Thompson, Ga.
Mollohan	Roberts	Thompson, N.J.
Monagan	Robison	Thomson, Wis.
Montgomery	Rodino	Tiernan
Morgan	Rogers, Colo.	Udall
Morse	Rogers, Fla.	Ullman
Moss	Rooney, N.Y.	Utt
Murphy, Ill.	Rooney, Pa.	Van Deerlin
Myers	Rostenkowski	Vander Jagt
Natcher	Roth	Waggonner
Nedzi	Roudebush	Waldie
Nichols	Roybal	Wampler
Nix	Ruppe	Watson
Obey	Ruth	Watts
O'Hara	Ryan	Whalen
O'Konski	St Germain	White
Olsen	Sandman	Whitehurst
O'Neal, Ga.	Satterfield	Widnall
O'Neill, Mass.	Saylor	Wiggins
Ottinger	Schadeberg	Williams
Passman	Scherle	Wilson, Charles H.
Patman	Scheuer	
Patten	Schneebeli	Winn
Pepper	Schwengel	Wold
Perkins	Scott	Wolff
Pettis	Sebelius	Wright
Philbin	Shipley	Wyatt
Pickle	Shriver	Wydler
Pike	Sikes	Wylie
Pirnie	Sisk	Wyman
Poage	Slack	Yates
Podell	Smith, Calif.	Zablocki
Poff	Smith, Iowa	Zion
Pollock	Smith, N.Y.	Zwach
Preyer, N.C.	Snyder	
Price, Ill.	Springer	

NAYS—0

NOT VOTING—79

Albert	Downing	Mathias
Anderson, Ill.	Dulski	Michel
Anderson, Tenn.	Edwards, Calif.	Moorhead
	Edwards, La.	Morton
Barrett	Fascell	Mosher
Berry	Flynt	Murphy, N.Y.
Blatnik	Ford, William D.	Nelsen
Boggs		Pelly
Brock	Foreman	Powell
Brooks	Frey	Reid, N.Y.
Broomfield	Green, Pa.	Rosenthal
Brown, Calif.	Hall	St. Onge
Brown, Mich.	Halpern	Skubitz
Burton, Utah	Harrington	Stephens
Cahill	Hastings	Taft
Carey	Hébert	Taylor
Cederberg	Howard	Tunney
Celler	Jacobs	Vanik
Chappell	Jonas	Vigorito
Clay	Kirwan	Watkins
Colmer	Kluczynski	Weicker
Corman	Landgrebe	Whalley
Cramer	Leggett	Whitten
Cunningham	Lipscomb	Wilson, Bob
Dawson	Lujan	Yatron
Delaney	McDonald, Mich.	Young
Denney		
Dennis	Mann	

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Boggs with Mr. Anderson of Illinois.
Mr. Albert with Mr. Bob Wilson.
Mr. Hébert with Mr. Lipscomb.
Mr. St. Onge with Mr. Frey.
Mr. Celler with Mr. Cederberg.
Mr. Carey with Mr. Broomfield.
Mr. Kluczynski with Mr. Michel.
Mr. Rosenthal with Mr. Weicker.
Mr. Green of Pennsylvania with Mr. Cahill.
Mr. Delaney with Mr. Halpern.
Mr. Dulski with Mr. Mosher.
Mr. Fascell with Mr. Berry.
Mr. Young with Mr. Foreman.
Mr. Barrett with Mr. Reid of New York.
Mr. Vigorito with Mr. Brown of Michigan.
Mr. Kirwan with Mr. Watkins.
Mr. Brooks with Mr. Brock.
Mr. Tunney with Mr. Mathias.
Mr. Chappell with Mr. Burton of Utah.
Mr. Taylor with Mr. Hall.
Mr. Howard with Mr. Nelsen.
Mr. Leggett with Mr. Landgrebe.
Mr. William D. Ford with Mr. McDonald of Michigan.
Mr. Flynt with Mr. Cramer.
Mr. Edwards of Louisiana with Mr. Whalley.
Mr. Colmer with Mr. Morton.
Mr. Moorhead with Mr. Cunningham.
Mr. Jacobs with Mr. Pelly.
Mr. Downing with Mr. Skubitz.
Mr. Stephens with Mr. Edwards of California.
Mr. Corman with Mr. Clay.
Mr. Mann with Mr. Dennis.
Mr. Anderson of Tennessee with Mr. Brown of California.
Mr. Vanik with Mr. Harrington.
Mr. Blatnik with Mr. Dawson.
Mr. Whitten with Mr. Jonas.
Mr. Yates with Mr. Taft.
Mr. Murphy of New York with Mr. Denney.
Mr. Hastings with Mr. Lujan.

The result of the vote was announced above recorded.

The doors were opened.

The title was amended so as to read: "A bill to modify the reporting requirement and establish additional income exclusions relating to non-service-connected pensions for veterans and their widows, to liberalize the bar to payment of benefits to remarried widows of veterans and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on all of the veterans' bills considered by the House today.

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

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. HUNGATE. Mr. Speaker, I was attending to vital business in my district on Friday last and was not present on rollcalls Nos. 198, 199, and 200.

Had I been present on rollcall No. 198, I would have voted "no"; and on rollcall No. 199, the motion to recommit, I would have voted "no." On the passage of the military procurement bill, on rollcall No. 200, I would have voted "yea."

PERSONAL EXPLANATION

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

Mr. FLOWERS. Mr. Speaker, on Friday, October 3, 1969, due to commitments of long standing in my congressional district, I was unavoidably absent and, therefore, did not vote on rollcalls Nos. 198, 199, and 200.

Had I been present, I would have voted "yea" on rollcall No. 198; "no" on rollcall No. 199; and "yea" on rollcall No. 200.

PERSONAL EXPLANATION

Mr. KEITH. Mr. Speaker, on the rollcall No. 204, I was detained in my office on business and reached here just after the conclusion of the rollcall. Had I been here, I would have voted "yea" on H.R. 13310 "to provide special programs for children with special learning disabilities."

PRESIDENT NIXON AND TAX REFORM

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

Mr. HICKS. Mr. Speaker, the President in his first tax message to Congress said:

> Reform of our Federal tax system is long overdue. Special preferences in the law permit far too many Americans to pay less than their fair share of taxes . . . The Administration working with Congress, is determined to bring equity to the Federal tax system.

It is barely 6 weeks since the House passed the most sweeping tax reform bill in U.S. history and already the President is beating a hasty retreat from his promise to the American people. The impact of the Nixon administration's remarkable statement before the Senate Finance Committee is best expressed in the titles of numerous magazine and newspaper articles which afterward appeared across the country. Among them, the Washington Post declared:

> The President's retreat on tax reform dashes hopes for a bill this year.

One title of a Wall Street Journal article called the Nixon proposal a "blunder," while another read:

> GOP Seeks To Delay Tax Revision Until 1970 in Hopes of Weakening House Bill.

Almost simultaneously with the bombshell President Nixon dropped in the Senate Finance Committee, news came that the President is about to name a "task force" to study ways in which present Federal taxes might be placing too great a burden on corporations and business in general. The task force is to be headed by Mr. John Alexander, an attorney in Mr. Nixon's former law firm, and, as one leading magazine put it:

> Virtually all the study-group members are conservatives who are on record as viewing current corporate-tax levels as too high.

During the 1968 campaign, the President made repeated reference to the "forgotten American"—the middle-income person who pays the lion's share of America's tax bill. After all this lip service to the average American wage earner, the net effect of President Nixon's tax package would reduce by one-half the tax relief contained in the House-passed tax reform bill for middle-income taxpayers in the $5,000 to $15,000 tax bracket, while cutting income tax rates for corporations by 2 percent and

allowing the wealthy to continue enjoying tax "loopholes."

As has been aptly said by many Members of this House, by the looks of the President's tax program, either he has forgotten the "forgotten American," or else believes the forgotten American to be the corporation president.

Concerned Members of Congress, Republicans and Democrats alike, are outraged by the sudden surrender on tax reform by the President. Newsweek magazine this month wrote that President Nixon's proposal to shift tax relief from the low- and middle-income taxpayer to corporations would be "more palatable to complaining private interest groups." I concur with the statement, the President has once more shown that he is far more interested in Wall Street than Main Street, more concerned with the company's president than the company's employee.

RESOLUTION ON VIETNAM

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

Mr. FINDLEY. Mr. Speaker, today identical resolutions listing as cosponsors 109 Members of this body and dealing with the fundamental question of ground combat force withdrawals from Vietnam have been introduced.

Here is the text of the resolution:

Resolved, That it is the sense of the House of Representatives that the substantial reductions in United States ground combat forces in Vietnam already directed are in the national interest and that the President be supported in his expressed determination to withdraw our remaining such forces at the earliest practicable date.

Its chief sponsors are Representatives VERNON W. THOMSON, of Wisconsin, WILLIAM L. HUNGATE, of Missouri, THOMAS P. O'NEILL, JR., of Massachusetts, and myself.

Sixty-four of the cosponsors are Republicans, 45 are Democrats. In all, they represent 34 States.

This is the most specific statement on Vietnam policy by a large group of Congressmen since the Gulf of Tonkin resolution in 1964.

Over one-fourth of the membership of our Government's most representative branch—by introducing this resolution—today is taking this means to demonstrate its support of President Nixon's troop reduction policies in Vietnam.

These Congressmen may well differ on many aspects of the war—how we became involved, the military or political advisability of that involvement, or the manner in which the war has been conducted in the past. Our views of these questions may vary widely.

However, all of us agree on two vital points of current policy.

First, we believe that the substantial reductions in U.S. ground combat forces in Vietnam—reductions which will shortly total 60,000—are very clearly in the national interest. President Nixon acted wisely and properly in directing these reductions.

Second, we believe that President Nixon should be supported in the determination he himself has expressed, under which all remaining ground combat forces will be withdrawn from Vietnam at the earliest practicable date.

The President has reached the conclusion that military and other considerations no longer necessitate the same degree of American ground force presence in Vietnam as in the past. Our involvement in Vietnam has been costly, and in our views the President's conclusion was a wise one.

Congressional approval of this decision should be expressed in clear and unmistakable terms. The President should not be forced to speculate upon whether the Congress is following his lead in Vietnam at the same time he must speculate upon the intentions of Hanoi and the Vietcong.

A list of cosponors follows:

ARIZONA

Morris K. Udall, D.

CALIFORNIA

Don H. Clausen, R.
Jeffery Cohelan, D.
Harold T. Johnson, D.
Paul N. McCloskey, Jr., R.
Thomas M. Rees, D.
Lionel Van Deerlin, D.
Charles H. Wilson, D.

COLORADO

Donald G. Brotzman, R.
Byron G. Rogers, D.

CONNECTICUT

Thomas J. Meskill, R.
John S. Monagan, D.

GEORGIA

John J. Flynt, Jr., D.

HAWAII

Spark M. Matsunaga, D.

IDAHO

Orval Hansen, R.

ILLINOIS

Harold R. Collier, R.
Paul Findley, R.
Robert McClory, R.
Robert H. Michel, R.
Abner J. Mikva, D.

IOWA

John C. Culver, D.
Fred, Schwengel, R.

KANSAS

Chester L. Mize, R.
Garner E. Shriver, R.
Larry Winn, Jr., R.

KENTUCKY

Tim Lee Carter, R.
William O. Cowger, R.
Carl D. Perkins, D.
M. G. (Gene) Snyder, R.

MAINE

William D. Hathaway, D.

MARYLAND

J. Glenn Beall, Jr., R.
Samuel N. Friedel, D.
Gilbert Gude, R.
Lawrence J. Hogan, R.

MASSACHUSETTS

Edward P. Boland, D.
Silvio Conte, R.
Harold D. Donohue, D.
Torbert H. Macdonald, D.
F. Bradford Morse, R.
Thomas P. O'Neill, Jr., D.

MICHIGAN

William S. Broomfield, R.
John Conyers, Jr., D.
Charles C. Diggs, Jr., D.
Martha W. Griffiths, D.
Edward Hutchinson, R.

MINNESOTA

Odin Langen, R.
Clark MacGregor, R.
Ancher Nelsen, R.
Albert Quie, R.
John M. Zwach, R.

MISSOURI

William L. Hungate, D.
James W. Symington, D.

MONTANA

John D. Melcher, D.
Arnold Olsen, D.

NEBRASKA

Glenn Cunningham, R.
Dave Martin, R.

NEW JERSEY

Florence P. Dwyer, R.
Cornelius E. Gallagher, D.
Joseph G. Minish, D.
Frank Thompson, Jr., D.

NEW MEXICO

Manuel Lujan, Jr., R.

NEW YORK

Joseph P. Addabbo, D.
Frank J. Brasco, D.
Daniel E. Button, R.
Barber B. Conable, Jr., R.
Hamilton Fish, Jr., R.
Seymour Halpern, R.
James F. Hastings, R.
Frank Horton, R.
Allard K. Lowenstein, D.
Bertram L. Podell, D.
Ogden R. Reid, R.
Howard W. Robison, R.
Henry P. Smith, III, R.
John W. Wydler, R.

NORTH CAROLINA

Charles Raper Jonas, R.
Richardson Preyer, D.

NORTH DAKOTA

Mark Andrews, R.
Thomas S. Kleppe, R.

OHIO

Thomas L. Ashley, D.
Delbert L. Latta, R.
Charles A. Mosher, R.
J. William Stanton, R.
Robert Taft, Jr., R.
Charles W. Whalen, Jr., R.
Clarence J. Brown, R.

OREGON

John R. Dellenback, R.
Al Ullman, D.
Edith Green, D.

PENNSYLVANIA

Joshua Eilberg, D.
Edwin D. Eshelman, R.
Joseph M. McDade, R.
Herman T. Schneebeli, R.
Frank M. Clark, D.
Gus Yatron, D.

TENNESSEE

John J. Duncan, R.

TEXAS

George Bush, R.

VERMONT

Robert T. Stafford, R.

WASHINGTON

Julia Butler Hansen, D.
Thomas S. Foley, D.
Floyd V. Hicks, D.
Thomas M. Pelly, R.
Brock Adams, D.

WEST VIRGINIA

Ken Hechler, D.

WISCONSIN

John W. Byrnes, R.
Henry C. Schadeberg, R.
William A. Steiger, R.
Vernon W. Thomson, R.

WYOMING

John Wold, R.

At a news conference this morning, several Members of this body attended, and the following news releases were distributed:

[Press release of Hon. THOMAS P. O'NEILL, JR., Eighth District of Massachusetts, Oct. 6, 1969]

VIETNAM AND TROOP WITHDRAWALS

Since August of 1967 I have been opposed to our conduct of the war in Vietnam and our policies there. At that time, I urged the President to enter negotiations with North Vietnam and all factions in South Vietnam, to support free and open elections, and to withdraw American troops to strategic enclaves. I called for the cessation of the bombing of North Vietnam because I believed this would lead to negotiations. More than a year later, most of this policy was adopted.

On March 4, 1968, I joined with 17 other Congressmen in urging the President to seek international guarantees and supervision of free and open elections in South Vietnam with the partcipation of all parties. We called for a cease-fire during such elections. We also urged the Administration to follow such elections with the withdrawal of all foreign troops from South Vietnam on an agreed-upon, gradual, phased basis. This still has not occurred.

In the year following that, in public statements and personal conversations, I urged Administration leaders and my colleagues in the Congress to support those measures which I believed would help bring a negotiated peace and an end to hostilities.

More recently, on June 8, 1969, in a television interview, I called for the unilateral phased withdrawal of all American troops from South Vietnam so that South Vietnamese troops could take on the burden of the war.

When I first called for a change in our policy in August, 1967, 12,000 American men had been killed in Vietnam. Two years later, the total of American men killed in action has risen to 39,000. In August of 1967, 75,000 men had been injured in that tragic and costly war. By today's date, the total has risen to more than a quarter of a million.

Almost 300,000 Americans, young men in the prime of life, have been killed or wounded in a war that has lasted too long, that has devoured our resources and divided our Nation. We can not tolerate the loss of our youth in a morass of never-ending conflict.

I believe that the military situation in Vietnam does not necessitate the presence of so many American troops. I also think that the Government troops of South Vietnam must begin to shoulder their share of the military effort and replace Americans in the field. We must encourage the Government of South Vietnam to institute democratic reforms and to hold free elections, open to all groups and all the people of South Vietnam. And we must do this now.

The Government of South Vietnam must realize that it will have to stand on its own policies of democratic participation in the governmental process. We must refuse to support a Government whose policies are non-democratic and who refuses to bring about the changes that will make our presence unnecessary.

I am hopeful that the President will stand by his promise to improve on former Secretary Clark Clifford's timetable for troop withdrawals. Our Nation needs its young men; and it desperately needs the resources that are being spent on the war in order to end the ills of our Nation. We need to provide nutrition, housing, education, health care and a high-quality environment for everyone in this great Nation.

The war in Vietnam is diverting our energies and our manpower. Each additional day that this war continues brings harm to our country and to our people.

PRESS RELEASE OF CONGRESSMAN WILLIAM L. HUNGATE, OF MISSOURI'S NINTH DISTRICT

WASHINGTON.—Congressmen Bill Hungate (Democrat, Missouri), Thomas P. O'Neill, Jr. (Democrat, Massachusetts), Paul Findley (Republican, Illinois), and Vernon W. Thomson (Republican, Wisconsin), today will introduce a resolution in support of President Nixon's withdrawal of troops from Vietnam. Over 100 Congressmen from both parties and 33 states co-sponsored this resolution which reads as follows:

"Resolved, That it is the sense of the House of Representatives that the substantial reductions in United States ground combat forces in Vietnam already directed are in the national interest and that the President be supported in his expressed determination to withdraw our remaining such forces at the earliest possible date."

At a press conference held earlier in the day, Mr. Hungate stated, "I would like to emphasize that this is a bi-partisan effort. I recall an article from the July, 1969 issue of *Foreign Affairs* magazine in which the former Democratic Secretary of Defense, Clark Clifford, suggested that 'A first step would be to inform the South Vietnamese Government that we will withdraw about 100,000 troops before the end of this year. We should also make it clear that this is not an isolated action, but the beginning of a process under which all U.S. ground combat forces will have been withdrawn from Viet Nam by the end of 1970.'

"In the same week this article was released (week of June 15, 1969), President Nixon stated in a television news conference that he hoped to better Mr. Clifford's timetable and stated, 'We have started toward the withdrawal that Mr. Clifford advocated,' and 'we will not be in Vietnam as long as he suggests we will have to be there.'

"In that same news conference the President insisted that he was not 'locked in' to a fixed policy on Vietnam, and that he would 'not be frozen in.' Our resolution is intended to support him in that regard also.

"Contrary to those who would dictate to the President a specific date on which he should complete withdrawal of our troops from Vietnam, I would think that to destroy the President's flexibility in this area would be to destroy his effectiveness," Mr. Hungate added.

"Congressmen—men in public life—should be particularly aware of the importance of indicating their support for real major changes in policy. The President's job is a difficult and lonely one at best. Whenever possible, Congress should offer its encouragement and support; and, this resolution does that," Mr. Hungate concluded.

[Press release of HENRY C. SCHADEBERG, U.S. Representative, First District, Wisconsin]

STATEMENT ON THE VIETNAM RESOLUTION, OCTOBER 6, 1969

The war in Vietnam continues. This conflict, to which American commitment increased from 600 to 550,000 under the past two Democratic Administrations, is in the process of being resolved by the present Republican Administration. Yet, the supporters of the past Administrations, and others, are suggesting that Congress legislate the manner by which the current Administration is to disengage the United States from the war. By this tactic, they hope to label the Vietnam War "Nixon's War" and thereby discredit the Administration which was brought to power with a mandate to resolve the conflict in a manner consistent with American security.

I would like to take this opportunity to address the many once silent voices, now grown loud and demanding, and to tell the American people that the only way that the war will be brought to an honorable end, and the troops brought home at the earliest possible date, is to support the President.

President Nixon was elected to his position as leader of this Nation by the people. The people of the United States have placed their faith in a new approach to the Vietnam War to replace the political, diplomatic, and military failures brought about by the past two Administrations' failures. Having inherited a hastily-extemporized undeclared land war, President Nixon has declared that troops will be withdrawn, that an end to the war will be brought about, that the South Vietnamese will be induced into assuming full responsibility for their self-determinism, and that an honorable peace will be established. He has been, and continues to be, successful in these endeavors I support his efforts and express my confidence that his efforts are in the best interests of the United States and the free world.

It is with this in mind that I have joined with many of my Republican colleagues in co-sponsoring the following resolution:

"Resolved, that it is the sense of the House of Representatives that the substantial reductions in U.S. ground combat forces in Vietnam already directed are in the national interest and that the President be supported in his expressed determination to withdraw our remaining such forces at the earliest practicable date."

For Congress to take any other approach would be to undermine the position of the President of the United States in his capacity as the Commander in Chief of the Armed Forces, to diminish the bargaining power of the United States in reaching an honorable solution to the war, and to impose the Congressional will in such a way as to disrupt the foreign policy of this Administration.

It is not necessary to go into length in an explanation of the history of American involvement in the war in Vietnam. The point of the matter is that we are there and that the President is disengaging our involvement. There are few persons who have not felt the effects of the war. Most have experienced the loss of or the injury to a dear one. Press and television and radio coverage of the battles of the war have brought into our living rooms the faces and lives of the men who have been chosen to fight. Rampaging inflation, due in part to the vast amounts of money and services which have been poured into Southeast Asia, has touched every American. Yet, our Nation has managed to survive these effects and the disunity that has been brought about by open discussions of war policies. We have agonized with the personal, political, and economic repercussions because there has been a valid reason for our being there. It is simple to forget, in the face of mounting pressures, that our involvement in Vietnam was deemed to be in the best interests of the United States and the free world. Congress, as the body with the power to raise and support armies, has in the past allowed troop strength to grow to its present size. It must not now arbitrarily determine what the troop strength should be by a certain date or express how fast disengagement should take place. To do so would be to forsake the best interests of this Country and to walk out

on a situation which was created for a valid reason.

As I read the political climate in the United States, and interpret the various anti-war movements, such as is planned to take place in Washington on October 15, I do not read them as a call for pull out at any cost. Granted, there are those who never believed that the United State's involvement was correct who are now calling for the immediate cessation of American involvement, and there are those who would make troop withdrawal a partisan issue, but the vast majority of the people and of Congress merely want assurances that more will be done. We can ill afford any more years of misinformation, deceit, and credibility gaps on the part of the leadership. The Republican Administration and President Nixon are cognizant of the wishes of the American people, and of the need to resolve the conflict. Given the support he needs, the President will succeed.

There are many reasons why the President must be supported in his already successful efforts to resolve the many problems posed by our involvement in Vietnam. The primary one is that he alone is aware of all the commitments that have been made of the American military strength and those which can be met in the future. To require withdrawal by a particular date would be to tie his hands from being able to meet any unexpected situation which may arise.

Secondly, if the President is given a specific mandate, the hopes of a suffering North Vietnam, struggling under new leadership, would be further nurtured and the leaders led to believe that if they can hold out for a certain time, U.S. involvement in any capacity would be impossible.

Thirdly, disengagement must be coordinated with the efforts by the South Vietnamese to undertake their own defense. I support the President because I do not want to be responsible for our disengagement without adequate defenses having been prepared to protect against any future North Vietnamese aggression, the very reason that the United States became involved in the first place. To withdraw without any assurances, will be to throw away the justifications for our being there and to put in jeopardy the lives of the remaining vestiges of American forces and Vietnamese who have fought actively against the enemy.

In concluding, I wish to state that the Republican Party is not founded on shallow promises. The Nixon Administration was brought to office on a platform of concentrating on the security of Southeast Asia, of a de-Americanization of the war, and of bringing about an honorable peace. It will be done only if the President is given the support he needs. In all our history as a free Nation, none have fought harder and more bravely in any war than our soldiers who have postponed their education and careers and often times sacrificed their lives in Vietnam. They deserve the support they are entitled to receive. They shall receive it with the passage of this resolution.

PRESS RELEASE OF REPRESENTATIVE HAMILTON FISH, JR., OF NEW YORK, ON VIETNAM RESOLUTION

WASHINGTON, D.C., October 6, 1969.—Representative Hamilton Fish, Jr., today joined with 89 Republican Members of Congress in backing President Nixon's Vietnam policy of disengagement and troop withdrawal.

The text of the resolution offered on Monday, October 6, stated: "That it is the sense of the House of Representatives that the substantial reductions in U.S. ground combat forces in Vietnam already directed are in the National interest, and that the President be supported in his expressed determination to withdraw our remaining forces at the earliest practicable date."

The resolution which is in opposition to those wishing to impose a timetable for troop withdrawal on the Administration would leave the President freedom for negotiation, while solidly endorsing his policy of de-escalation and troop withdrawal.

"I am happy to be one of the co-sponsors of this resolution backing President Nixon in his bid to end the Vietnam war," Congressman Fish, who had been a persistent critic of the Johnson policies which led America into Vietnam, said. "After eight years of futile escalation, I believe President Nixon deserves our support in his declared determination to search for peace in that troubled area of the world."

Mr. DON H. CLAUSEN. Mr. Speaker, I am pleased to join in cosponsoring the resolution being introduced today by more than 90 Members of the House, representing 33 States of the Union.

This resolution expresses the sense of the House of Representatives that the substantial reductions in U.S. ground forces in Vietnam that have been made and those planned for the remainder of this year are truly in the best national interest and that President Nixon be encouraged and supported in his expressed determination to withdraw, in stages, as many remaining personnel as possible at the earliest practicable date, consistent with basic security strategy, that will turn over a well-trained security organization made up of South Vietnamese units.

The war in Vietnam continues to be the most serious problem facing the President, the Congress, and the American people. The Paris peace talks, now in their second year, have thus far proven little, except to serve as a sounding board for both sides. Some people say we should go all out in Vietnam in the belief that the enemy is becoming steadily weaker. Frankly, I believe we should continue our present course because the South Vietnamese are getting much stronger. Others believe we have fulfilled our commitment to South Vietnam and should now withdraw our forces, leaving the fighting to the Vietnamese. Some say we should do this immediately or at some specified date in the future; others, however, believe we should do this in stages over an extended period of time that will permit the South Vietnamese to take over the conduct of the war in a more orderly and organized way.

Recently, a national market research referendum was held in 17 States involving 12,233 men and women and one of the key issues expressed dealt with future U.S. policy in Vietnam. Here is how this sampling responded on this question:

	Number	Percent
Continue our present policy	474	4
Increase our involvement for a quick military victory	2,408	20
Immediate withdrawal and leave the fighting to South Vietnam	2,648	22
Withdrawal in stages, gradually turning over the fighting to South Vietnam	6,405	52
Not answering	298	2

It has long been my contention that, a carefully conceived "phasing-in" of South Vietnamese troops and a gradual "phasing-out" of U.S. fighting men, would ultimately be the concept most acceptable to the American people. In my judgment, the results of this and numerous other public opinion samplings, certainly substantiates that contention.

This is the course President Nixon is following and, as such, it represents a radical departure from the Vietnam policy of the past 5 years. It is a course of action that is supported by many Members of this body and by a majority of the American people—regardless of political parties or past positions on the war in Vietnam.

Therefore, I am pleased to join in cosponsoring this resolution today in support of President Nixon's handling of the situation in Vietnam and urging him to follow through on the withdrawal of American troops at the earliest possible date.

The materials referred to above follow:

PANGENERIX COMMUNICATIONS, INC.
Omaha, Nebr., October 1, 1969.

The Honorable DON H. CLAUSEN,
U.S. House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE CLAUSEN: As part of a national market research project, 12,233 men and women in 17 states voted in a referendum on three key issues: the war in Vietnam, the draft, and the personal income tax exemption.

The participants returned their ballots by mail the last week of July and the first week of August. The referendum was conducted in Alabama, Colorado, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Minnesota, Montana, Nebraska, Ohio, Oklahoma, South Carolina, Utah, and Virginia.

Although the referendum was designed to afford people an opportunity to express their views on critical national issues, the results do not constitute a scientific poll of public opinion. The responses may be particularly interesting to you, however, because they are accompanied by a complete demographic description of those casting ballots.

As you will note from the attached summary of the results, a serious effort was made to frame the questions as objectively as possible and to permit a reasonable range of responses. Pangenerix Communications Incorporated takes no position on any political issue and conducted this phase of its research only as a public service at its own expense.

In addition to preparing the attached report, we made a complete demographic analysis of those taking each position on each issue. Data from this in-depth research is available to you on request.

I would appreciate knowing any reaction you may have to receiving this kind of information and whether you would be interested in reviewing, at no cost or obligation to you, additional reports as they are developed.

Sincerely,

MICHAEL C. FIELDS,
President.

PANGENERIX COMMUNICATIONS INC.: RESULTS OF REFERENDUM PHASE OF NATIONAL MARKET RESEARCH PROJECT, JULY–AUGUST 1969

The three issues used in the referendum are stated below exactly and completely as they were presented to those asked to vote. They were instructed to choose only one position on each issue. Voters supplied demographic data about themselves on the back of the ballot. The categories used are generally the same as those to be used in the 1970 census.

Issue 1: The Vietnam War continues to be the most serious problem facing the American people. The Paris peace talks are now

in their second year. Some people say we should continue our present policy in the belief that the North Vietnamese and the Viet Cong will steadily become weaker. Others believe we have fulfilled our commitment in South Vietnam, and, as a result, we should now withdraw our forces, leaving the war to be settled entirely by the Vietnamese. Some say we should do this immediately; others say we should do this in stages over an extended period of time; and others believe we should increase our military involvement and seek a quick military victory. (Vote for one:)

	Number	Percent
Continue our present policy	474	4
Withdrawal in stages, graudually turning over the fighting to the South Vietnamese	6,405	52
Immediate withdrawal and leave the fighting to the Vietnamese	2,648	22
Increase our involvement for a quick military victory	2,408	20
Total	11,935	98
Not answering	298	2
Total	12,233	100

Issue 2: Some people think the present draft system should be continued exactly as is. Others believe the draft should be on a lottery basis to eliminate inequalities. Still others say all our armed forces should be manned by volunteers only, without a draft. (Vote for one:)

	Number	Percent
Continue the draft as is	3,853	32
Replace the draft with voluntary enlistments	4,439	36
Change the draft to a lottery	3,536	29
Total	11,828	97
Not answering	405	3
Total	12,233	100

Issue 3: Under the present Federal income tax law, taxpayers are entitled to personal exemptions of $600 for themselves and for each family dependent. It is proposed that personal exemptions be raised to $1000. Those in favor of the $1000 exemptions say it will assist middle and lower income families to meet part of the high cost of living. Opponents say that the $1000 exemptions will create more inflation. (Vote for one:)

	Number	Percent
Keep $600 exemption for each dependent	967	8
Raise exemption to $1,000 for each dependent	11,006	90
Not answering	260	2
Total	12,233	100

Those who took part in the referendum were asked whether they had voted in the 1968 Presidential election. This was their response:

	Male	Female	Total	Percent
Voted in 1968 presidential election	5,066	5,206	10,272	84
Did not vote in 1968 presidential election	524	612	1,136	9
Total	5,590	5,818	11,408	93
Did not answer question	336	489	825	7
Total	5,926	6,307	12,233	100

Voters were asked whether they considered themselves a Democrat, a Republican, in another political party, or an independent. This was their response:

	Male	Female	Total	Percent
Democrat	1,907	2,156	4,063	33
Republican	1,900	2,105	4,005	33
Other	31	29	60	
Independent	1,818	1,684	3,502	29
Total	5,656	5,974	11,630	95
Not answering	270	333	603	5
Total	5,926	6,307	11,233	100

Voters were asked whether they were registered to vote. This was their response:

	Male	Female	Total	Percent
Yes	5,008	5,147	10,155	83
No	345	436	781	6
Subtotal	5,353	5,853	10,936	89
Not answering	573	724	1,297	11
Total	5,936	6,307	12,233	100

DEMOGRAPHIC CHARACTERISTICS OF VOTERS IN NATIONAL ISSUE REFERENDUM

Those who took part in the referendum were assured that their ballots were secret and were not coded in any way to identify their sources. These voters were then asked specific demographic information about themselves. This is a summary of their responses:

	Male	Female	Total	Percent
Age:				
Under 25	490	730	1,220	10
26 to 35	1,396	1,397	2,793	24
36 to 45	1,249	1,298	2,547	22
46 to 55	1,275	1,347	2,622	22
56 to 65	818	828	1,646	14
Over 65	466	415	881	8
	5,694	6,015	11,709	100
Not answering	232	292	524	
Total	5,926	6,307	12,233	
Marital status:				
Single	491	960	1,451	13
Married	5,040	4,903	9,943	87
	5,531	5,863	11,394	100
Not answering	395	444	839	
Total	5,926	6,307	12,233	
Family size:				
1	421	410	831	14
2	1,022	641	1,483	24
3	766	292	1,058	18
4	905	254	1,159	19
5	612	169	781	13
6	317	104	421	7
7	133	41	174	3
More than 7	93	32	125	2
Subtotal	4,269	1,763	6,032	100
Not answering	1,657	4,544	6,201	
Total	5,926	6,307	12,233	
Income:				
Under $5,000	715	2,145	2,860	30
$5,000 to $6,999	793	758	1,551	16
$7,000 to $9,999	1,777	680	2,457	25
$10,000 to $14,999	1,486	336	1,822	19
$15,000 and over	756	221	977	10
Subtotal	5,527	4,140	9,667	100
Not answering	399	2,167	2,566	
Total	5,926	6,307	12,233	
Education:				
Grade school	608	503	1,111	10
Some high school	427	500	927	8
High school graduate	1,701	2,519	4,220	37
Some college	1,226	1,289	2,515	22
College graduate	826	693	1,519	13
Post graduate	800	373	1,173	10
Subtotal	5,588	5,877	11,465	100
Not answering	338	430	768	
Total	15,926	6,307	12,233	
Occupation:				
Professional, technical	1,923	932	2,855	25
Manager, official, owner	765	161	926	8
Clerical	208	888	1,096	9
Sales	417	138	555	5
Service worker	270	109	379	3
Craftsman, foreman	593	10	603	5
Factory worker, machine operator	525	191	716	6
Nonfarm laborer	94	10	104	1
Farmer, farm worker	132	10	142	1
Housewife		3,142	3,142	27
Retired	518	258	776	7
Unemployed	24	45	69	1
Student over 18	141	59	200	2
Total	5,610	5,953	11,563	100
Not Answering	316	354	670	
Grand total	5,926	6,307	12,233	

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., October 3, 1969.

DEAR COLLEAGUE: On Monday, October 6, we plan to introduce the resolution on Vietnam (see below) which now has more than 89 co-sponsors, representing 33 states.

That morning we plan to hold a press conference at which we will release to the press the names of those who have indicated that they wish to co-sponsor. If you are in that group, we hope you will be able to attend this press conference, and if you cannot, you may wish to send a statement for distribution to the press. In either case, we would appreciate it if you could notify us if you will attend or send a statement. Many thanks.

Sincerely yours,
THOMAS P. O'NEILL (5111),
WILLIAM L. HUNGATE (2956),
PAUL FINDLEY (5271),
VERNON W. THOMSON (5506).

PRESS CONFERENCE

Date: October 6, 1969.
Time: 10:00 a.m.
Place: 2200 Rayburn Building.
Subject: Introduction of following resolution:

H. RES. ———

Resolved, That it is the sense of the House of Representatives that the substantial reductions in U.S. ground combat forces in Vietnam already directed are in the national interest and that the President be supported in his expressed determination to withdraw our remaining such forces at the earliest practicable date.

SDS AND NORTH VIETNAMESE DELEGATIONS MEET IN CUBA TO PLAN DEFEAT OF U.S. FORCES

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

Mr. ICHORD. Mr. Speaker, I believe it is important that all Members of the Congress and the public be informed of a recent meeting held in Cuba between delegations of the Students for a Democratic Society—SDS—and representatives of the Government of North Vietnam, whose armed forces are daily wounding and killing American servicemen in South Vietnam.

Bernardine Dohrn, national officer of the SDS, recently described in the radical

press how she, along with a delegation of SDS members, held a series of meetings in Cuba with North Vietnamese representatives during this past July. Dohrn declared that U.S. forces are being defeated in Vietnam and pledged "to do everything we can to speed up that defeat." As part of the plan to speed up the complete defeat of U.S. forces, Dohrn indicated that the SDS plans "to open another front in the United States" designed to get U.S. forces out of Vietnam. She pointed out that the initial SDS action in this regard is planned for October 8–11, 1969, in Chicago, where demonstrations in support of North Vietnamese forces will be held. On September 18, 1969, I reported to the House the plans of the SDS to launch massive demonstrations in Chicago during the period of October 8–11, 1969. Dohrn also called for slogans in support of the North Vietnamese forces to be placed "in every subway, everywhere" and she warned that "all institutions which in any way support the war will be subject to attack." In concluding, Dohrn called on local SDS chapters to increase their propaganda attack demanding immediate withdrawal of U.S. forces from Vietnam.

There are those who may scoff at the significance of this meeting, but let us make no mistakes: The SDS does not consider it insignificant. The intentions of the SDS are abundantly clear. We have already seen the effects of some of their stepped-up activities—property damage totaling millions has resulted; Federal troops, National Guard units, and police forces across the Nation have been pressed into action to meet SDS planned and sponsored student disorders; numerous arrests have occurred; and distressing and disgusting behavior and incidents related thereto have served to undermine the public's confidence in its country and its goals. In its current plan to assist the North Vietnamese by opening another front in the United States, the SDS is relying on collegiate dissidents and militants to bolster and accelerate this drive. It would be foolhardy for anyone to ignore or dismiss lightly the revolutionary terrorism of which SDS is capable. It is a serious threat to both the academic community and a lawful and orderly society.

ADVISORY COUNCIL FOR MINORITY ENTERPRISE

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

Mr. ANNUNZIO. Mr. Speaker, on September 17, the White House issued a statement in which the President announced the names of 63 leaders of our Nation who will serve on a new Advisory Council for Minority Enterprise.

For 5 years I have urged the Members of the Congress of the United States to provide for an inner city, ghetto insurance program. In 1965, I introduced a bill authorizing an appropriation of $280,000 in order that the Small Business Administration could conduct a study to determine the insurance needs of the small businessmen in our ghetto areas.

On September 8 of this year, I introduced H.R. 13666 which provides for an insurance program to help property owners and small business establishments in the inner cities of America. Over 50 of my colleagues in the House have joined me in cosponsoring this legislation. I have been assured by my distinguished colleague from Pennsylvania, the Honorable WILLIAM BARRETT, chairman of the Housing Subcommittee, that the subcommittee will conduct hearings on my bill in the latter part of October. I want to take this opportunity to inform my colleagues, who cosponsored this legislation and are as sincerely interested in the problem as I am, that they be alerted to the fact that hearings will be held on this legislation shortly. I know that each of the cosponsors of this legislation will want to present a prepared statement to the subcommittee so that its Members will have the full knowledge of the insurance problems that are facing both the homeowners and small businessmen in the inner cities of America.

Mr. Speaker, I take this opportunity to call to the attention of my colleagues that the President of the United States, in his recommendations to his new Advisory Council for Minority Enterprise, recognizes the insurance problems that face the people of our inner cities and ghettos. In outlining his recommendations to the Advisory Council he stated, and I quote:

> Both Secretary Stans and I look to this distinguished group for proposal of feasible methods to speed the flow of capital, ease credit facilities, obtain insurance—I repeat, Mr. Speaker, to obtain insurance—and to provide needed technical assistance, and thereby help eliminate many of the frustrations which have blocked so many minority Americans in their efforts to become a constructive part of our national economic life.

Mr. Speaker, I feel that with the additional support of the President of the United States and the Secretary of Commerce, much impetus has been added to the need for legislation such as I have proposed in H.R. 13666.

ALASKA STATE CHAMBER OF COMMERCE CONVENTION

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

Mr. POLLOCK. Mr. Speaker, it was my privilege to attend the annual convention of the Alaska State Chamber of Commerce in Ketchikan, Alaska, on October 3, 1969. It was an excellent meeting, with many outstanding speakers participating. Each speaker had something to say and said it well.

John Borbridge, Jr., president and general manager of the Central Council of Tlingit and Haida Indians of Alaska and first vice president of the Alaska Federation of Natives, was one of the outstanding speakers. I was deeply impressed with his eloquent presentation of the basis and substance of the aboriginal native land claims which have been filed and cover virtually all of Alaska. Because the matter is before the Congress for resolution, and because the position of the natives is not generally known or understood, I ask unanimous consent to place the address of Mr. Borbridge in the CONGRESSIONAL RECORD in full, in order that my colleagues in Congress and others may have the privilege of reading this very excellent statement. I am sure it will give a better and more basic understanding to the members of the Interior and Insular Affairs Committee of the reasons the Alaskan natives are asserting their rights to lands used, occupied, and claimed by them and their ancestors.

Mr. Borbridge demonstrates the quality of leadership which has emerged among the Alaskan natives. He is intelligent, well educated, an excellent speaker, a prodigious worker, and a dedicated native, determined to assert the legal and moral principles upon which the claims of the Alaskan natives are based—and he does it well indeed.

Mr. Speaker, the outstanding address of Mr. Borbridge follows:

ALASKA NATIVE LAND RIGHTS

(By John Borbridge, Jr.)

The Alaska Natives are asserting their rights to lands, used, occupied, and claimed by them and their ancestors since time immemorial. Despite explicit guarantees which purported to preserve the definition of these land rights for later congressional action, the Indians, Eskimos and Aleuts of Alaska have seen their resources exploited and their lands taken. Many of them have been forced to live without the assurance of formal title to lands from which they wrested a living—as did their ancestors before them. They have observed laws so administered so as to cause them to lose their lands in ways that they did not understand, since they assumed that the laws were for their protection too. But they had confidence and they believed, and they waited.

The Excitement of statehood came to Alaska and everyone joined in making it possible for our great land to join the union of states. "Wait", we were counselled. "Let us attain statehood first; otherwise the resolution of this complex issue may delay and possibly indefinitely postpone this necessary event." The Alaska Natives believed and they waited. The Statehood Act passed, and under its provisions, the State began to select land. Indian Land, Eskimo Land, Aleut Land. Trustfully, the Alaska Natives looked to the disclaimer Clause which promised to preserve the status quo for a final disposition by the Congress; and yet, as of March 1, 1969, the disposition of the State selected lands was as follows:

Patented (title granted)	5,467,694
Tentatively approved	8,640,251
Selected, but not approved	11,579,575
Total	25,687,520

The time for a just and equitable settlement is *now:* The issue can no longer be deferred and the natives will not be ignored. The Alaska Natives seek justice and not charity. They do not ask to be given lands, but they ask for the right to retain a portion of that which belongs to them. They do not ask to be *given* money or compensation; but they ask, as a matter of justice, that compensation be paid to them in return for their agreement to extinguish their aboriginal claims to vast portions of this State.

In seeking a 2% overriding royalty provision, the Natives seek to participate in the return from the fruits of the land. Also, through this mechanism, they seek to fore-

stall the need for ever returning through the Courts on the basis of an unconscionable settlement—for they too, seek a final settlement.

In addition to a just and equitable settlement, the Natives of Alaska seek the opportunity for maximum self-determination. They will not accept stifling paternalism. They seek the opportunity to realize their own vast unrealized potential for self-development.

You are businessmen, the entrepreneurs, the "doers." You have had to ride and fall on your business judgment and you want the facts. Your judgment as to your position on this issue will be measured in terms of its consequences long after we are gone.

Let it be clearly understood that I do not appear before you as spokesman for the Native people who advocates the cause of land rights, or seeks your support because of existing disparities in levels of health, education, employment and housing. Nor do I seek your support because I am a Native and you must help the needy Native people. I am here to articulate the firm basis of legal principles enunciated in a series of Supreme Court decisions, and our commitment to the development of national policy, which underlies the Alaska Native Land Rights, which we as Native people are asserting. This issue is of vital concern to all Alaskans.

The Alaska Native seeks a congressional resolution of this long pending issue. Our fellow citizens in Alaska and the South 48 are asked to formulate judgments on the land claims, while handicapped by a relative lack of relevant information, and a limited understanding of the complex principles involved. You have a responsibility for becoming informed, just as the Natives bear the responsibility for telling their story to Alaska and the Nation.

The fact is you cannot understand the Alaska Native Land Rights without understanding us as a people. A truly comprehensive analysis of the Alaska Native land rights must necessarily encompass concepts of Indian Law and an appreciation of the broad sweep and development of pertinent national policy; a respect for the heritage of the people who assert these rights; an awareness, of the potential economic impact on the State of Alaska, and, finally, the national conscience which must now respond to the explicit congressional guarantees given to the Alaska Natives 85 long years ago.

The policy of honoring tribal occupancy rights and purchasing Indian land antedated the Constitution of the United States and was further evidenced in the more than 300 treaties between the United States and the various Indian Tribes. It is pertinent to note that over two million square miles were purchased from the American Indians. It is this area which presently comprises the bulk of the present public domain lands. The United States paid France fifteen million dollars for the acquisition of political sovereignty over the historic Louisiana Purchase area. Over 300 million more dollars was paid to the Indian owners of the land for the extinguishment of their title rights. Someday, all history books will accurately chronicle the role of our Indian and Native Peoples relative to the growth of our country.

Thus, as a matter of national policy, the Congress has come to recognize the just principle of voluntary purchase and sale for a negotiated price in its dealing with the Indian Tribes. Nor have Indian rights lacked for a legal definition.

In addition to a just and equitable settlement, the Natives of Alaska seek the opportunity for maximum self-determination. They seek the opportunity to realize their own vast unrealized potential for self-development.

The Supreme Court of the United States has repeatedly held that aboriginal Indian Title to lands embraces the *complete beneficial ownership based on the right of perpetual and exclusive use and occupancy.* Such title also *carries* with it the *right* of the tribe or native group *to be protected fully by the United States in such exclusive occupancy against any interference or conflicting use or taking by all others, including protection against the state governments.* In short, as declared by the Supreme Court, aboriginal Indian ownership is as sacred as the white man's ownership.

The established law is that *only* the United States may extinguish aboriginal Indian ownership. Thus, Indian land claims cases in the South 48 arise out of circumstances in which the land was taken at some point in the past. Thus, for example, the Court held that the California Indians lost their lands in 1853 and a fair market value, as of the date of taking, was established in order to fix the amount of compensation. But Alaska is the sole remaining part of the United States which includes extensive areas *still used and claimed* by the aboriginal inhabitants based on rights of aboriginal occupancy. Thus, we assert that our Indian or Native Title has not been extinguished. We are not dealing with historic fact. This is a "here and now" situation.

With the exception of various portions of land, the Indian or Native Title to vast areas claimed by the Natives has not been extinguished. To quote from the Court of Claims in the case of the Tlingit and Haida Indians v. United States, Docket 47900, decided on January 1968, "This court has held that equitable and just compensation for land held by Indian Title is measured by the *date of taking fair market value* of the uncompensated for property rights. . . . The *value* of land held by Indian title is the same *as they held in fee simple* and not the value to its primitive occupants relying upon it for subsistence . . ." (emphasis added) Thus, the Court confirmed its previous theory of value and, at the same time, expressly rejected the notion that natives should be paid on the basis of values consistent with subsistence use. The implications for the statewide land claims are obvious.

Conservatively estimated, the value of lands now held by aboriginal title is, at least, in the tens of billions of dollars. This great value was recently illustrated by the more than $900 million which was paid on September 10, 1969 for the right to explore for oil on 400,000 acres of land used and occupied by North Slope Eskimos since "time immemorial."

Notwithstanding their knowledge as to the almost astronomical worth of lands that they are asked to give up, the fact is, the Alaska Natives do *not* seek the *full value* of any lands which may be taken as a result of a legislative settlement. They do this, knowing that previously established legal principles fixed valuations for Indian title lands as of the date-of-taking.

The Alaska Federation of Natives developed, as its first proposed solution to the native land claims, S. 2020. The proposal would have amended the jurisdiction of the Court of Claims and would have allowed the Natives to sue the United States in the Court of Claims. This solution still has its adherents. Furthermore, the prestigious Federal Field Committee, after extensive analysis, concluded, "The Alaska Natives have a substantial claim upon all the lands of Alaska by virtue of their aboriginal occupancy." Former Secretary of Interior, Stewart Udall, in testifying before the Senate Interior and Insular Affairs Committee on July 12, 1968, on the Alaska Native Land Claims stated, "Based on the standards adopted by the Court of Claims in the Tlingit-Haida case, the Natives could possibly establish aboriginal title to practically all of the State of Alaska. No one knows, in fact, I think it would be wise not to litigate that issue, probably."

Nevertheless, the Alaska Federation of Natives, reflecting the will of its constituents and demonstrating the responsible, unselfish character of the Native people, agreed that a complete and final legislative settlement is far more preferable than years of complex litigation.

To achieve such a settlement, the Natives are willing to accept much less than the value of what is being given up. The Alaska Federation of Natives' proposal which has been drafted into legislative bill form, seeks:

(a) Confirmation of title to land in the native villages which has been used and occupied by the native people from time immemorial. AFN proposes that said confirmation of lands should be in the amount of forty million acres.

(b) A payment of $500,000,000 and an overriding royalty of 2% of the revenue derived from the lands as compensation for lands previously taken, and as compensation for the extinguishment of any and all claims against the United States, based upon aboriginal right, title, use and occupancy of lands in Alaska by any native or native group.

(c) Recognition of a statewide Native corporation, and not more than twelve regional corporations as the management group for the land and funds.

(d) Creation of an Alaska Native Commission to assist in the administration of the Settlement Act.

Each of these concepts (confirmation of title to a specific amount of land, payment of compensation and provisions for the administration of the settlement) have been included in prior bills introduced in Congress.

The Alaska Federation of Natives' proposal considers the following factors:

(a) The Natives' desire to present a proposal which is politically realistic and which will help to advance a full and final legislative settlement by Congress;

(b) The immense value of the lands being given up;

(c) The ecology of Alaska and the need for adequate lands for subsistence purposes;

(d) The Natives' attachment to and dependence upon the lands which they have used and occupied for thousands of years; and

(e) The desire of the Natives to have sufficient funds to enable them to solve their own social problems and to be participants in (rather than outside observers of) development of Alaska.

The land is of paramount importance to the Alaska Indians, Eskimos, and Aleuts. Thus, the Alaska Natives are requesting that they . . .

"The Alaska Natives are requesting that they be permitted to retain 40 million acres for both subsistence and investment purposes."

Many Natives wish to continue a rural way of life. In a nation where individual freedom and self-reliance are highly valued, this preference should be given great weight in determining the amount of acreage to be retained.

Moreover, no matter what weight may be given to this preference or what the ultimate settlement may be, the fact is that the majority of Natives will be in the villages for very many years. Many Natives—particularly the elderly and those with very little education—would be destitute and miserable if, because of insufficient land, they were forced to move from their homes.

Thus, the alternatives to adequate lands for subsistence are (a) endangering the food supply and aggravating the poverty of Natives who remain in the villages, and (b) forcing many Natives into ghettos (either in cities or on reservations).

On the other hand, if adequate lands are

retained, the Natives will be able to make a meaningful choice between village life and urban life. Those who voluntarily choose urban life (primarily the young and more educated) will do so without bitterness or desperation, and should be able to make a satisfactory transition. They will view their move as a positive choice, and not as an expulsion from their land by the white men.

To the extent that any land is used for investment purposes the proceeds should (a) help Natives who have left their villages adjust to urban life, and (b) help all Natives adapt to the drastic social, economic and ecological changes which will occur because of the oil discoveries and Alaska's growth and industrialization. Moreover, through owning lands for investment purposes, the Natives will be able to develop managerial talents and increase the contribution which they can make to their state and nation."

There will be a land claims settlement. The push is on for a Bill before the end of this Congress. The continuation of the land freeze; the pressures to continue with the orderly development of our state, the oil discoveries, the high priority assigned to this matter by Senator Henry Jackson, Chairman of the Senate Interior Affairs Committee, and Congressman Wayne Aspinall, Chairman of the House Interior and Insular Affairs Committee, and finally—the determination of the Natives of Alaska to see justice done—are all helping to build up the pressures for congressional action.

Despite the focus on the scope and extent of the Alaska Native Land Rights question, I must observe that the Alaska business community *has not* demonstrated its usual perceptiveness and vision relative to the impending change that will affect the Alaska Natives.

Over 50,000 buyers, sellers, investors, entrepreneurs, hunters, fishermen—our native people—will receive the economic means to participate meaningfully in the growth of our state. They will join the policy makers in a more significant way as they receive the means to plan and to change their way of life and that of their children and grandchildren.

Native organizations will make wise selections of experts and technicians, including engineers, geologists, foresters, managers, investment advisors, accountants, economists and lawyers, to assist them in making their resources and lands productive. They will have an impact upon the State and Federal governments that will far exceed present efforts. Future discussions as to economic, business and related opportunities in Alaska will be meaningless without the Native peoples—because you will *need* us and because it will simply be good business. Your trade missions and exhibits and other means of selling opportunities in Alaska will include us because you will need us.

It is not just the self-image of the natives that must change. You, too, must see us in the light of the fast-moving events that are the result of our fight for our land rights and our more sophisticated political awareness. You, too, will need to change your image of us as a people.

The Central Council of Tlingit and Haida Indians of Alaska, which was established by an Act of Congress in developing plans for the disposition of $7 million received in satisfaction of the successful culmination of part of its land claims. The Tlingit and Haida Indians are using this sum in the aggregate as the most effective means of bringing optimum benefits to their people. The six plans developed by the Central Council include:

1. Scholarship Grants and Assistance for Education and Professional and Vocational Training.
2. Plans for Services for the "Special" (that is, the Elderly) Tlingit and Haida People.
3. Housing Guaranty and Loan Fund.
4. Community Development Fund.
5. Industrial and Commercial Development Fund.
6. Revolving Fund for Loans or Organization of a T–H Bank.

As the Tyoneks demonstrated vision and responsibility in the wise use of their resources, so the Central Council, as the first regional Native organization with significant cash assets, will assure all of you as to our competency and our vision. Profit-making and investment opportunities will also be carefully investigated. We intend to be active in individual Tlingit & Haida communities, the Southeast Alaska community and the State.

Your support for the Native land claims should be forthcoming because you want justice to be done.

Your support for the Native land claims should be forthcoming because Alaska Natives will never leave our State to retire elsewhere—and we will use our monies here.

Your support for the Native land claims should be forthcoming because we come before the Congress by right and because it is not only the claims issue that is on trial—but the willingness of the institutions which will be called on to do justice will also be tried. For, not to do justice would cost all of us, eventually.

We must maintain our good faith and trust in one another. Justice for all will securely bind us together just as surely as injustice and indifference would disrupt our relations. This occasion should mark the meaningful beginning of a dialogue between the business community and the Alaska Natives. We are all Alaskans. We share the same aspirations, goals and ambitions—a better Alaska. We invite you to join us in our struggle for justice. Let us resolve to avoid the temptation to try to assign total responsibility to the federal government. Justice is our joint problem and the Alaska native land rights is a unique opportunity to meaningfully work together.

RECOMMENDATIONS FOR AN INCREASE IN SOCIAL SECURITY BENEFITS

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

Mr. HANLEY. Mr. Speaker, a few weeks ago, the administration announced that the President would soon be sending to Congress recommendations for an increase in social security benefits. Those of us who have been calling for increases for some time were both pleased and disappointed by the announcement. We were pleased that the President had finally decided to move in the direction of badly needed and long overdue increments; we were disappointed that he proposed only a 10-percent increase to take effect next April. On September 26, the President formally submitted his recommendations to the Congress and they might have afforded a measure of hope were it not for the fact that they are too little and will be too late to save many millions of American senior citizens from the brink of financial disaster. My mail, and I feel safe in saying, the mail of every Member of the House and Senate is replete with correspondence from social security recipients who have their backs right up against the wall. Their meager incomes remain stable while their social security checks and their savings are eaten up by inflation. This situation would be unpardonable even if we did not have the funds to carry out an increase in the benefits, Mr. Speaker. But we have the funds and we do not have to increase taxes measurably to make them available. Because of this, any further delay in increases is unconscionable.

I propose, Mr. Speaker, that the Congress consider and enact immediately, legislation which will contain a twofold guarantee: An across-the-board increase in benefits of 15 percent and a $100 a month minimum benefit, effective upon enactment. I have talked and corresponded with hundreds of recipients in my congressional district, many of whom have been retired for 10, 15, or 20 years and who are trying to get by on $75 or $80 a month. They cannot wait until April of 1970 for an increase. They need it now. And they need it desperately. We can do no less.

But, Mr. Speaker, our moral and societal obligations to the elderly and the needy of this Nation go farther than merely a raise in social security benefits. They should and must include expanded benefits under the program. There are thousands, indeed maybe millions of senior citizens who are, thank God, not hospitalized, but who are nonetheless ailing and require special services and special drugs not now covered under social security. Our moral obligations do not end with the provision of a subsistence allowance only. How can we as a nation say that we are meeting our responsibility to the old when hundreds of thousands of them live on a mere pittance, when circumstances force them to spend a larger than normal share of their benefits on drugs and home care, and when the essentials of life, which are theirs as a right, are denied them because of the high cost of living.

I propose that benefits be not only increased but expanded to include prescription drugs for nonhospitalized but chronically ailing social security beneficiaries and that home-care costs be borne in part by the social security program. Because of the crowded hospital and nursing home situation today, many of our senior citizens are not receiving adequate and proper treatment. The present structure does not afford them proper drug and home care. There is no excuse for allowing this deplorable situation to continue. I endorse and support the proposal advanced by former Health, Education, and Welfare Secretary Wilbur Cohen whereby chronically ailing social security recipients would have to pay only the first dollar for each drug and the remainder would be paid for out of the OASDI funds. I endorse also an expanded program of home-care for ailing recipients who need special services but who are neither hospital bound nor bedridden. We must pursue these goals vigorously and at once if we are to afford these millions of Americans, who have already given so much to our society and its economy, an opportunity to live out their lives in decency.

Mr. Speaker, there is yet another side to the social security program which is extremely important, but which seems to receive all too little attention, either in the media or here in the Halls of Con-

gress. We all know that retirement brings with it a reduction of earnings. That is the initial reason the social security fund was established over 30 years ago. What is not so apparent, however, but what is equally as significant, is the fact that thousands of retirees who could continue to make important part-time contributions to our society are denied that right by the ridiculous limits placed on outside income by the present social security retirement test.

Last January, our colleague from the other body, Senator TED MOSS, of Utah, brought the Special Committee on the Aging to Syracuse, N.Y., in my district, for the purpose of holding public hearings. During the course of those hearings he noted that:

> I think the greatest problem of all in age is not the slowing down of the physical mechanism so much as just coming to that sort of dead end where you feel there is no longer any contribution you are making.

Mr. Speaker, I think Senator Moss hit the nail right on the head. We all know that a part-time job can be not only financially rewarding for an older person, but that it can be therapeutically and psychologically invigorating as well. There is nothing so justifiably proud as a man or woman who is accomplishing something and who feels needed. There is nothing as proud as an individual who can stand on his own two feet. Yet the shameful lag on the part of Congress in not correcting and updating the retirement test denies that sense of accomplishment and that sense of contribution to thousands of our senior citizens.

Under the present system, a recipient may earn up to $1,680, plus $1,200, a year without losing any benefits. I propose that this be raised immediately to $2,000 so that those who can and those who want to supplement their incomes may do so without suffering unduly. And collaterally, I propose that the formula which would require a $1 deduction from benefits for every dollar earned over the new level of $3,200 be restructured to require a $1 deduction for every $3 earned. The administration has suggested a $1,800 cutoff and a $1 loss for every $2 earned over $3,000, but I do not feel this is adequate.

We are literally throwing away an incalculable asset in the talent and wisdom of millions of our senior citizens who have chosen to withdraw from the scene rather than lose their hard-earned benefits. This, likewise, is an intolerable situation which demands immediate attention.

These are not unreasonable goals; nor are they unattainable. We who are reaping the fruits of a prosperous and dynamic America owe them in large measure to the tireless dedication of the generation that preceded us.

We can neither ignore their plight nor shirk our responsibility.

THE PARADOX OF OUR PROSPERITY

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

Mr. BURKE of Florida. Mr. Speaker, although inflation is raging and the cost of living is reaching the boiling point, many Americans are not only able to keep their heads above water, but are relishing a time of unequaled prosperity.

Due to increased wages, their economic conditions are often quite livable.

I find it somewhat ironic, however, and tragic, that this is not the case with those who, by their very labors, inventiveness, and foresight, have enabled so many of us to enjoy the fruits of our prosperity, while they are in the midst of a period of unequaled austerity.

I am referring to those older persons receiving social security benefits who, after working all of their lives, have now retired in the hope of living decently on their retirement funds and incomes. The truth of the matter is that they could not foresee the time when the dollars of their life savings would be worth only a fraction of their original value.

To me, this represents a gross inequity in our society—a situation which is a paradox of our prosperity.

There are certain responsibilities which we must meet to those whose need is all too real. There is a need to eliminate this cruel condition which has already robbed millions of their hopes for a brighter economic future.

It is urgent that we address ourselves to this problem and effect an across-the-board increase in social security benefits of not less than 15 percent, which I feel is needed to meet the increase in the cost of living. The minimum should be no less than $100 per month.

I further feel that this increase should begin on January 1 instead of the proposed April date or on passage of such legislation, whichever is the soonest.

Sometime ago I introduced legislation to insure that social security recipients receive equitable benefits in the future based on increases in the cost of living, which is actually the only way to assist them in meeting the skyrocketing cost of living.

Our obligation is clear. We have no choice but to erase this paradox of our prosperity, for no price can be placed on the fulfillment of genuine human need nor on the acquisition of human dignity.

PRESIDENT NIXON'S SCHEDULE

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

Mr. LUKENS. Mr. Speaker, the other day my well-traveled colleague from Ohio, WAYNE HAYS, took it upon himself to make public the announced schedule of the President, apparently implying that this is all the President does.

Undoubtedly the honorable and well-traveled Congressman was judging by his own schedule, which is not especially known for its business.

It is obvious also that he has not been close enough to any President of either party to know that there is a public schedule of appointments as well as a private schedule, and that, even though this may not be the case with the honorable gentleman, Presidents have other duties than just to meet with people.

It may be that my friend, the honorable and well-traveled Congressman has been himself turned down in an effort to meet with the President. He should be more understanding of the demands on the time of the President. The President has many more important things to do than meet with his detractors.

For the edification of others who may, with more reason, have the same misunderstanding, let me go over, without mentioning names, the President's full schedule for last Thursday, which I have taken the trouble to obtain.

At 8:30 a.m. the President held a staff meeting.

From 9 until 10:15, he met with a group of Senators on matters of importance to our Nation.

From 10:15 until 11, he met with his national security advisers. From 11 until noon, he received new diplomatic representatives from five different nations.

At noon he met for 20 minutes with his chief of protocol, Ambassador Emil Mosbacher.

At 12:20 and again at 12:25 he did meet with old friends—briefly.

In the afternoon he met with one more Senator, Dr. Arthur Burns, White House Counsel John Ehrlichman, Dr. Kissinger, and Peter Flanigan.

Mr. Speaker, in itself this was a pretty busy day. It does not take in the papers that needed to be seen or signed, phone calls made and received, or just plain thinking time.

There are those among us who prefer to talk rather than think, who prefer to belittle others rather than earn respect for themselves. Fortunately, the President of the United States is not one of those.

STATE DEPARTMENT'S FAILURE TO SEEK U.N. HELP FOR RELEASE OF ISRAELI CITIZENS STILL HELD BY SYRIA FROM THE TWA AIRLINE HIJACKED TO DAMASCUS IS INDEFENSIBLE

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

Mr. PUCINSKI. Mr. Speaker, 1 month ago I wrote to the State Department and asked that the State Department summon a meeting of the U.N. Security Council as soon as possible to demand the release of two Israeli prisoners—two passengers taken from an American airplane when it was hijacked to Syria—who are still being held in Damascus. Other Members of Congress have written a similar request to the State Department. Also, today I learned that 13 nations have asked that the U.N. intervene in attempting to halt the rising incident of airplane hijackings.

I have been advised by the State Department that it cannot take this action. In response to my request, the State Department has stated:

> In our view, the interest of the detained passengers and international civil aviation in general are best served for the time being by the quiet, persistent efforts we have been

making, rather than by a public approach that could worsen their plight and interfere with other efforts being made. There are hopeful indications that the Syrians will release the passengers if the psychological climate is right and, therefore, we wish to avoid any action that would provide the Syrians cause to continue holding the two men.

Mr. Speaker, this answer and this statement on behalf of the State Department is indefensible. These two passengers have been held prisoners illegally for almost 2 months. Without any question, they were passengers on an American carrier that was hijacked and taken to Syria. These two passengers were removed from this American carrier and with no provocation are now being held prisoners by the Syrians. This is an outrageous violation of every standard of conduct among nations.

Mr. Speaker, this scandalous conduct by Syria jeopardizes the whole structure of American international travel. We as a nation have a duty and responsibility to protect passengers on American carriers. I was astounded and appalled that the State Department would take such a wishy-washy position on this matter. I believe the State Department should reconsider its position and demand the U.N. Security Council insist on release of these two prisoners forthwith.

Mr. Speaker, if the average American corporation had as many failures in the conduct of its business as the State Department has had in conducting our international affairs, we would all be bankrupt.

I call to the attention of my colleagues my original letter to the State Department and the Department's reply. The two letters follow:

SEPTEMBER 8, 1969.

Hon. WILLIAM P. ROGERS,
Secretary of State, Department of State, Washington, D.C.

DEAR MR. SECRETARY: Ten days have now elapsed since the Trans World airliner was hijacked by Arab terrorists and taken to Damascus. You will recall that all but two of the passengers on this international carrier flying an American flag have been released. I am deeply concerned about the remaining two passengers over whom, I believe, the United States has considerable responsibility, if for no other reason than because they were legal passengers on an American-owned commercial aircraft.

I hereby request that you take appropriate steps as soon as possible to summon a meeting of the Security Council at the United Nations and demand an immediate release of these two passengers.

The only crime that these two Israelis still being detained by the Government of Syria have committed is that they were innocent passengers on an American international air carrier. So far as I can ascertain, this is the first time in modern history that a nation has deliberately detained passengers from an aircraft as hostages for terrorists who hijacked the aircraft.

I am astounded that our country has not taken more forceful action already. I have read with interest your own very strong statement denouncing this international piracy at the time the hijacking occurred. I commend you for this statement, but the statement alone is not enough.

Nor am I at all persuaded by arguments of those who urge no action at this time because of the "delicate" negotiations for the release of these two Israeli citizens.

I believe the most effective means of securing the immediate release of these two passengers on an American aircraft is for the Security Council to serve notice on the Government of Syria that any harm to these two people will bring the strongest retaliation by the combined membership of the United Nations.

It is unconscionable that the free world has remained silent on this issue for so long. Secretary General U Thant has tried to persuade the International Federation of Pilots Association against the worldwide strike of airline pilots in protest against this hijacking, and even more against the illegal detention of these two Israeli passengers. Mr. U Thant would better serve the cause of justice if he addressed his energy toward a meeting of the Security Council for immediate action.

It is my honest judgment that a continuing failure by the United States and the other major powers to deal effectively with Syria's cruel detention of these two innocent passengers will only beget more actions of terrorism against the United States. We have seen already one example in Brazil and we are now witnessing a tragic story unfold in North Korea.

I urge you to instruct your aides for an immediate petition to the Security Council for an emergency meeting to demand the release of these two passengers. For the United States to delay in providing maximum protection for these two passengers will seriously shake confidence in the integrity of the entire American international carrier fleet and in my judgment will have not only serious moral consequences, but even some economic setbacks.

Your cooperation in this matter will be greatly appreciated.

Sincerely yours,

ROMAN C. PUCINSKI,
Member of Congress.

DEPARTMENT OF STATE,
Washington, D.C., September 17, 1969.

Hon. ROMAN C. PUCINSKI,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN PUCINSKI: The Secretary has asked me to reply to your letter of September 8 requesting that the United States Government summon a meeting of the UN Security Council as soon as possible to demand the immediate release of the two Israeli citizens still held by Syria from the TWA airliner hijacked to Damascus.

Since the hijacking, which the Secretary in his statement of August 30 strongly condemned as an act of international piracy, we have been in continuous and close touch with the Government of Italy which represents U.S. interests in Syria and which has approached the Syrian Government on our behalf. We are also in touch with numerous other governments having relations with Syria as well as with international organizations concerned with air travel to enlist their support for our efforts to secure the immediate release of the detained passengers. I can assure you that we are continuing intensive efforts through all available channels on behalf of the remaining passengers of this United States flag aircraft.

Although I understand very well your strong feelings on the subject, we do not see at this stage of our efforts to gain the release of the detained Israelis that a Security Council discussion of the matter would be useful. The main reason for our preference not to raise the issue in the UN at this time is that it is doubtful, in view of the current emotion-charged atmosphere in the area, that we could keep a Security Council debate on the hijacking issue from becoming embroiled in the complexities of the overall Arab-Israel issue. Moreover, there is little prospect, in our view, that the ensuing debate would produce any action that would help the two detained passengers. On the contrary, it could very likely have just the opposite effect at this juncture causing the Syrian position to harden and failing to obtain the release of the two detained passengers.

In our view, the interests of the detained passengers and international civil aviation in general are best served for the time being by the quiet, persistent efforts we have been making, rather than by a public approach that could worsen their plight and interfere with other efforts being made. There are hopeful indications that the Syrians will release the passengers if the psychological climate is right and, therefore, we wish to avoid any action that would provide the Syrians cause to continue holding the two men.

I agree with you that the U.S. Government at all levels must do everything possible to uphold the integrity of American flag carriers. All our airlines, as well as the USG, feel an obligation for the welfare of foreigners who choose to fly with a U.S. flag carrier. The U.S. expressed strong concern several years ago when Guinean passengers were removed from a Pan American aircraft at Accra and we would feel equally strong should, for instance, Latin Americans be detained from a U.S. aircraft diverted to Cuba.

You can be assured that we are following this situation very closely and will take whatever steps, including recourse to the UN Security Council, that we consider useful in the light of future developments.

I hope the foregoing information will be helpful to you.

Sincerely,

WILLIAM B. MACOMBER, JR.,
Assistant Secretary for Congressional Relations.

POLLUTION COSTS

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

Mr. MORSE. Mr. Speaker, last week I inserted in the RECORD for the attention of my colleagues, two of a series of articles by Lowell Sun reporter, Franz Scholz on the pollution problem of the Merrimack River Basin: the first dealt with the visual and olefactory effects of the river's pollution; the second, with its effects on aquatic life in the river and on human existence along the banks.

The following is the third article by Mr. Scholz, who canoed up the Merrimack and Concord Rivers, traversing the same route plied by Henry David Thoreau in 1839. As one of the "crew" during a day of this journey, I was witness to the devastating effects of pollution on the recreational potential of the river and the value of the land along its banks described in this installment.

Franz Scholz begins with the comment that "the cost of pollution in the Merrimack staggers the imagination." I am indeed hopeful that through his efforts to bring these facts before the citizens of the Merrimack River Basin, he will stir their imagination, and encourage the public commitment to clean it up. We cannot afford not to. And indeed, a clean river may well pay for itself:

POLLUTION COSTS
(By Franz Scholz)

LOWELL.—The cost of pollution in the Merrimack staggers the imagination.

The loss of income due to pollution to the people of the cities and towns along the river's banks amounts to an estimated $40 million annually and is continually rising.

The cost of cleaning up the river is more than six times that figure.

In addition to dollar and cents costs of pollution, there are numerous immeasurable costs. Untold hours of pleasure derived from swimming, boating and fishing are lost because of the human and industrial waste infesting the water of the Merrimack, producing obnoxious odors. These wastes also pose as a potential threat to the health of communities using the river as a public water supply and farmers using it to irrigate their crops.

We base our estimated $40 million annual loss of revenue to pollution of the Merrimack on a 1966 Federal Water Pollution Control Administration (FWPCA) estimate. In 1966, the FWPCA set the estimated loss of revenue at $37,000,000. Using this estimate and applying a rate of three per cent increase per year during the period of 1966 to 1969, we arrived at our estimate.

Of its $37 million annual total, the FWPCA estimated that cities and towns along the Merrimack miss out on $21,300,000 annually in income which could be realized from the fishing, swimming and boating potential of the Merrimack if it were not polluted with human and industrial wastes.

Another $9,100,000 annually goes begging because of deflated value of the 1,830,600 feet of river bank footage available along the Merrimack and Nashua Rivers.

As a result of the pollution and deflated land values along the river, cities and towns on its banks lose out on an additional minimum of $5,500,000 in increased tax revenues.

Finally, the polluted state of the river deprives cities and towns bordering on its banks of an additional $1,100,000 in the loss of the commercial value of the rivers estuary and other miscellaneous benefits.

During our trip up the Merrimack last month in which we traversed the route plied by Henry David Thoreau in 1839, we found practically all the land along the banks of the Merrimack could easily be made into beautiful sandy beaches, shady picnic areas, sanctuaries for birds and other wildlife or could become peaceful spots for river front homes, hotels and resort dwellings.

Much of the land along the banks, especially on the long, largely uninhabited stretches between the large cities, reminded us of the banks Thoreau described on his journey up the Merrimack.

"Other roads do some violence to nature, and bring the traveler to stare at her," he wrote, "but the river steals into the scenery it traverses without intrusion, silently creating and adding to it, and is as free to come and go as the zephyr."

On our "retired and pleasant" route between Nashua and Manchester, we found little, other than the river "creating and adoring" the willow and pine trees which grace its white, sandy banks. Accompanied only by sea gulls, long-legged cranes and other birds, we left Nashua at seven in the morning on the fourth day of our journey and headed towards Manchester. By midmorning we had passed some factories in Merrimack, N.H. and then did not come upon a home until mid-afternoon as we reached the Manchester city limits.

Other stretches were equally as pleasant.

On the second day of our trip, Cong. F. Bradford Morse joined us as we turned out of the Concord River into the Merrimack just below Bridge Street in Lowell.

The Lowell factories uglied the left side of the Merrimack as we headed in northerly direction. The Congressman, however, was taken in by the white sand, willow trees and pleasant surroundings on the opposite bank.

"Beautiful," he said, as he looked at the unmolested trees on the Pawtucket Boulevard side of the river in Lowell.

Wanting to see more, he urged us to transgress temporarily from our course and head downstream towards Lawrence. Obliging, we sailed under the Hunts Falls Bridge only to find the river banks grew more and more inviting.

Sea gulls perched on rocks in the falls and we saw our first long legged crane tempting us to go even further.

That afternoon, Arthur Rowse, a national columnist from Washington, accompanied us as we made our way up the river, again in back of the Lowell factories and on to the Tyngsboro Bridge.

As we passed in back of the Lowell factories and Northern Canal area, he urged us to motor in for a closer look at the trash littered banks. Again, we obliged, although from a distance we could see only rats feeding on waste, old tires, cans, bottles, other rubbish and dead wood scarring the banks. As we got closer, however, we found the banks consisted of a fine sand. Removing some of the rubbish dumped there, we found even more sand.

"How nice this would be if the city only spent a little money to clean up this rubbish," Arthur said.

Equally potentially beautiful banks lay hidden beneath junk automobiles, refrigerators, cans, bottles and other areas used to dump rubbish along the banks of the river. When we removed the rubbish, the banks appeared much the same as Thoreau saw them in 1839: "The course of the Merrimack can be traced from the nearest mountain by its yellow sandbanks."

According to the FWPCA there are 173 miles of such beautiful bank footage available along the Merrimack and Nashua Rivers, most of which we found that except for dumping refuse, man rarely explores or makes use of. Ironically, the most pleasant banks we found where along sections in which we traveled for hours without seeing a home, factory or life other than sea gulls sitting on rocks in the middle of the river, an occasional fish jumping on the surface of the water or squirrel playing on the banks.

How easy it would be to turn these banks into beautiful beaches, picnic areas, boat landings, or choice river bank house lots. My traveling companion, Richard P. Taffe Jr. and I kept telling each other we envisioned an area as a boat landing or as a picnic area—after the bottles, cans and other debris were removed. Other spots at which the river had deposited large amounts of sand (up to 10 and 12 feet deep) along the banks, we envisioned as pleasant beaches.

On a stretch well over a mile long between Merrimack and Manchester, N.H. and abounding with shady pine and willow trees set in white sand, we pictured turning into both a picnic area and bathing beach. All one had to do, Dick observed, was put in picnic tables, the river had provided the white beach-like sand along the banks and nature the trees.

But, the pollution infested waters of the river, beautiful by nature, but scarred with man's filth, attract few people to its unmolested banks.

More than 10 million people live within an easy day's ride of the Merrimack, and an additional 6.5 million are expected to reside in the area by the year 2000.

The potential recreational value of the river is further realized by the fact that 41 per cent of the population prefer water-based recreational, activities and they spend a minimum of $8.00 a day for food, lodging, transportation and miscellaneous items while doing so.

We found that few of the 10 million-plus population living within a day's drive of the Merrimack were spending their recreational time and money on the river. Instead, repelled by the polluted water, we found that people who live within walking distance of the Merrimack spend their vacation time fighting traffic to get to beaches on the North Shore, Cape Cod or to lakes in New Hampshire and Maine.

While we saw two or three groups of youngsters swimming in the Concord, we did not see a single person swimming in the Merrimack (one Tyngsboro family, however, said they swim in the river, and although we did not see any doing so, people along the river above the dam in Manchester also say they swim in the river).

Instead, we saw a "bathing prohibited" sign posted on the back of the old Lowell Bath House on Pawtucket Boulevard.

We passed only a few people boating or fishing in the Merrimack. On the Sunday we plied the river from Lowell to the Tyngsboro Bridge, we passed perhaps a dozen boats. We did not see any other boating until three days later when we got above the dam in Manchester at which point nearly every riverbank home had a boat docked in the water.

As noted in a previous article, we saw only six groups of fishermen (three of which were fishing over sewage outfalls) during our six days on the Merrimack. Yet, the FWPCA reports that "the main stem of the Merrimack River could support an additional 290,000 man-days of fishing per year." Furthermore, statistics reveal that fishermen in the United States spend $10.00 per fishing trip, and that their numbers will triple between 1960 and 2000.

The failure of people to make use of the bathing, picnicing, boating and fishing potential of the Merrimack is due solely to its pollution infested waters. Pollution prohibits bathing. Fishermen do not like to fish the water and most refuse to eat their catches because of the raw sewage it feeds on.

We found that people who live on the river banks dislike boating in the polluted water and since they won't go swimming, refuse to go water skiing on the river.

Thus, as a 1966 FWPCA report states, although "water-oriented activities has been increasing rapidly on a national scale, especially near centers of population . . . a similar increase has not been possible in the Merrimack River basin because of its pollution condition."

The result is an estimated loss of more than $21 annually in potential recreational revenues on the river.

Pollution also deflates land values on the banks of the river. In 1966, the FWPCA estimated that if the river were cleaned up, the total increase in the value of land on the banks of the Merrimack and Nashua rivers would increase $91,400,000. It further estimated that developments constructed on the land would equal the increased land value, making the total increase value $182,800,000. This value was then pro-rated over a 20 year period so that each year would have a value of $9,100,000.

Some large land speculators, hoping to gain large profits if pollution in the river is abated, have already started buying large amounts of land along the banks of the river in New Hampshire. Local officials in New Hampshire, for example, reported that a large realtor, who also holds a position with the New Hampshire state government recently purchased large areas of land along the banks of the Merrimack between Nashua and Manchester, N.H.

A Billerica realtor also recognized the potential value of land along the Merrimack. He told us of his plans to build a 288-unit apartment building on a 30-acre site on the Pawtucket Boulevard side of the river in Lowell.

Asked why he decided to invest so substantially on the river, he felt the river would enhance the value of his apartments. Our site, he said, gives a "good unobstructed view of the river."

Asked if the pollution in the river would jeopardize his investment, he said his apartments would be far enough from the river so they would not receive any odors caused by the pollution. Moreover, he has faith and "feels there will be action taken to clean up the river."

Until that time comes, however, property values along the banks will remain low and cities and towns will continue to lose millions in tax revenues yearly. In 1966, the FWPCA, considering only property tax and using a basic tax rate of $30 per $1,000 per year or three per cent, estimated the loss of tax revenues on river banks property at $5,500,000.

The estimate, however, is obviously a minimum, considering that some tax rates are $100 per $1,000, and higher. (Lowell's tax rate is $132 per $1,000.)

The pollution infested water of the river accounts for other monetary losses to the people of the cities and towns along the river. Lowell and Lawrence, the two communities using the river as a public water supply, for example, could realize as estimated $8,300 yearly savings in chemicals used to treat their drinking water if the pollution count of the river were not so high.

Industries using the river's waters in their manufacturing processes also have to treat the water before using it. A paper company on the Nashua River spends more money on treating the water before it enters their plant than it does to treat the water when it comes out the other end as waste. If the river were not polluted, this and other companies could save the money expended to clean the river's water before they use it and spend their savings on facilities to clean the polluted water they pour back into the river.

Industries along the river would realize other advantages if the pollution in the river were abated. A clean river, offering bathing, boating and fishing opportunities, would make it easier for industries to attract employees to the area. People attracted to the area to take advantage of the recreational opportunities would also patronage local businesses.

In its present condition, however, the river offers industries only a convenient disposal for their wastes and, for some, a source of power.

Moreover, because of its pollution, the commercial value of the river's estuary is all but ruined. The FWPCA and Commonwealth of Massachusetts estimated in 1965 that approximately $300,000 worth of clams could be harvested annually in the river and that the total value could well exceed $500,000 and might approach $1,000,000 annually.

But, because of pollution the shellfish beds in the estuary of the river were closed to harvest in 1926 and shellfish can be taken in only specified small sections. Thus, the commercial value of the soft shell clam harvest in 1964 was only $14,000.

The cost of cleaning up the river basin federal officials estimate to be about $250 million. (A pollution abatement plan advocated by Dr. Bela Fabuss, director of the Environmental Pollution Division of the research department at Lowell Tech, and described by him in the final article of this series, would cost the cities and towns along the river basin considerably less.)

The cost to the city of Lowell for one pollution control program carries a $15.3 million price tag. A waste treatment plant presently being constructed in Merrimack, N.H., one of the smaller towns on the river, will cost approximately $5 million.

Although the costs to the cities and towns for sewage treatment facilities are staggering, they could be offset by the income from recreation, increased land values, property taxes, savings on costs of chemicals now needed to treat the river water for drinking purposes and other savings to industries located along the river.

Moreover, with a substantial pollution abatement program, the river would pose as less a hazard to public health than it does now.

Presently, the river between the Pawtucket Falls dam and the Tyngsboro Bridge, the stretch along which the intake for the Lowell water supply is located, has been given a Class B designation.

This does not mean, however, that the water in the river at that point meets its Class B designation. It means merely that the state desires that stretch to reach Class B quality and that polluters are forbidden to pour wastes in the river which would cause the water to fall below the desired quality standard.

Since designating that stretch as Class B, however, the state has set a "deadline" by which polluters in the area must meet the designated water quality standards. But, it has not yet initiated enforcement action against polluters violating those standards.

As a consequence, the actual quality of water in the river, according to 1967 figures, between the Pawtucket Falls and the Tyngsboro Bridge, corresponds to water meeting only Class D and E standards.

A Class D designated river is defined as suitable only for transportation of sewage and industrial wastes without nuisance and for power, navigation and certain industrial uses.

Class E River is defined as totally "unsatisfactory."

A Class B designation would make the water acceptable for public water supply with filtration and disinfection—its actual Class D or E quality does not.

Although Lowell and Lawrence are the only communities presently using the river as a public water supply, the FWPCA estimates that "as populations rapidly increase in many of the cities and towns along the Merrimack River, additional municipalities may need to use this convenient source of water supply."

In addition to being used as a public water supply, the river's water is used untreated by farmers to irrigate their crops.

As we plied the river between the state line and Manchester, we saw several irrigation pumps farmers had set up along the banks of the river.

Although the water in the river at these points has been designated as either Class B or C, the actual quality of the water again corresponds to Class D and E water.

The FWPCA designates only Class C water as suitable for irrigation of crops not used for consumption without cooking. The crops being irrigated by some of the farmers we met along our route, however, included tomatoes and other vegetables consumed without cooking. Some of these farmers were selling their crops irrigated with Merrimack River water at roadside stands.

In 1966, the FWPCA purchased some of the vegetables irrigated with Merrimack River water from farmers at the same roadside stands we visited. All were vegetables that ordinarily are eaten without cooking.

Laboratory tests revealed that a "significantly greater number of fecal coliforms were present on vegetables grown on those farms that used Merrimack River water for irrigation than on vegetables which were not."

(During our trip we also purchased some vegetables irrigated with Merrimack River water from a farmer at a roadside stand, but after carrying them with us in our boats for two days, learned that they would no longer allow for a reliable analysis of fecal coliform count in a laboratory.)

Public officials are well aware of the costs pollution imposes on the cities and towns bordering the river as well as the potential heatlh hazard the pollution poses to their communities, yet they do little about it.

While on our trip, for example, we met with a Lowell city councilor who was alarmed over the amount of ammonia being taken in at the Lowell city water plant intake. Less than a week later, however, the Lowell city council refused to vote authorization for the city to borrow $5.3 million to proceed with plans to control pollution on its portion of the Merrimack.

Like Lowell, most of the large cities we visited on the Merrimack have plans to treat their sewage before spilling it into the river, but they are not willing to spend the money to implement them.

From talks with officials in these cities and towns, we learned of three reasons why these plans rarely get off the drawing boards. They are the constant concern of local officials over the plight of large industrial polluters in their communities, their tendency to blame the pollution of the river on cities further upstream and not themselves, and their reluctance to show the taxpayers the bill to construct the needed facilities—especially at election time.

In some of the large cities on the river, industries pour nearly as much solid wastes into the river as do the public sewer lines of the cities themselves.

If the communities allow these large industrial polluters to tie into public city sewers and treatment plants it would, in some cases, increase by 100 percent the cost of constructing and maintaining the treatment facilities.

Three large paper mills on the Nashua River in Fitchburg, for example, have more than twenty times the solid waste contained in the public sewage to treat.

The cities often cannot and should not pay to treat the wastes of such large industrial polluters.

Fearing that the industries may move from the cities if they are forced to treat the wastes independently, the cities and their large industrial polluters, as the case in Fitchburg, often arrive at a compromise whereby the city and large industrial polluters share the costs of constructing and maintaining treatment facilities.

Where the industrial polluters are not exceptionally large, some cities have agreed to let them tie in with the public sewer system at no additional expense.

In other instances, we found cities often ignore the large industrial polluters, allowing them to dump freely into the river.

Finally, in Manchester, we found that the city allows one of its larger polluters to call the waste it dumps into the river city sewage.

In this way, any attempt by state or federal officials to control the sewage being poured into the river by this polluter must be taken up with the city of Manchester and not the firm which is actually doing the polluting.

From talking with the owners of the pollution plant, we learned that they had no intentions of ever treating their wastes—composed largely of blood and other animal wastes, which they said made the fish in the river grow to monstrous proportions. (They agreed, however, that they would not like to swim in it.)

Moreover, they told us that eventually large mid-west slaughter houses will force them out of business. Thus, the city finds itself in the ridiculous position of protecting a polluter which sees no future for his business in the area.

Merrimack, N.H., is caught in a totally different situation. It is presently constructing a treatment plant (the only city on the river presently doing so) to attract a large brewery which promises a bright future for the city. (Actually, the Anheuser Busch Brewery agreed to locate in the city only if the community constructed a waste treatment plant to handle the city's as well as its own wastes.)

A "What good is it going to do us if other communities on the river don't treat their wastes" attitude also slows the pollution abatement process.

Little improvement in the water in the river above the Pawtucket Falls, for example, would be realized if Lowell constructed a facility to treat its wastes. Most of the pollution in the river at that point is caused by cities and towns further up the river. Thus, people in Lowell asked us, why should their

city expend large sums for treatment facilities if Nashua and Manchester don't do likewise.

In every city we visited, people asked essentially the same question, always blaming the pollution in their waters on the cities further up the river. State and federal officials, it seems, must move with equal vigor to make all communities do their share or none of the cities will act to treat their sewage until their neighbors upstream do the same.

It is for this reason that the commonwealth's case against the city of Amesbury, a small city near the mouth of the Merrimack, is so important. Earlier this year, the state moved against Amesbury for not meeting the water quality standards set for it.

The case against Amesbury is a test of the state's authority to enforce its water quality standards. Should the state fail, other larger cities than Amesbury, unimpressed with the state's enforcement authority may be encouraged to continue violating the water quality standards in their areas.

We learned, however, that large polluters—both public and private—fear public criticism and are more apt to become concerned when it is directed towards them, than they are when the states threaten action. Most of the large industrial polluters we spoke with on the Nashua River, for example, feared the public criticism Mrs. Hugh Stoddard and the Nashua River Clean-Up-Committee could level against them than the yet unproved enforcement powers of the states. No such citizens committee exists on the Merrimack, thus freeing polluters of the river of such criticism.

The final and perhaps most pathetic reason why cities are so slow in acting to treat their sewage is city officials often feel that their communities cannot afford to pay for the facilities needed to treat their sewage "at this time."

As noted, there are very expensive items, and elected officials, especially during an election campaign, are often reluctant to approve such huge expenditures.

This, it appears, was the motivating behavior of Lowell city councilors, who last week, in the middle of an election campaign, delayed voting to authorize funds for sewage treatment facilities in the cities.

HEMISFAIR '68—FINAL REPORT

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

Mr. GONZALEZ. Mr. Speaker, 1 year ago today, HemisFair '68 closed its gates for the last time, marking the end of the celebration that served as a birthday fiesta for San Antonio's 250th year. The United States, 23 foreign governments, the State of Texas, and various commercial exhibitors helped attract 6,384,482 persons to HemisFair—the first international exposition ever held in the Southwest. Today, a year after the closing of the fair, enough time has passed to allow us a sense of perspective about the exposition, what it did, and what its legacy to San Antonio may be.

HemisFair was an unprecedented undertaking for San Antonio. The magnitude of conceiving, planning, financing, and executing a world's fair required the city to invest vast amounts of time, talent, and resources in a venture that everyone knew could either end in disaster or help launch San Antonio into a period of unprecedented growth and prosperity. I believe that the record shows that HemisFair was an enormous, glittering success—success far beyond what anyone ever dreamed possible in the beginning, success that confounded doomsayers and optimists alike. The end of HemisFair marked the beginning of a new and hopeful era for San Antonio.

BACKGROUND

No one can say for certain when the first idea of staging a world exposition in San Antonio was mentioned. However, the origin of HemisFair was in January 1962, when I arranged a meeting with the then Secretary of Commerce Luther Hodges to discuss with him my idea for a trade fair in San Antonio. I had in mind a permanent, international trade mart, which would be a place where people from all over the Western Hemisphere could come and trade their goods, and exchange ideas and skills, to the mutual betterment of the whole hemisphere. Secretary Hodges warmly received the idea, but warned that it could never work unless the whole community gave its support to the project.

I was encouraged enough by Secretary Hodges' attitude to broach the idea publicly. I asked a distinguished San Antonio businessman to set up a meeting of business leaders in San Antonio, for the purpose of discussing world trade in general, and a trade fair in particular. A world trade seminar in June, 1962, developed a spark of interest, and Mr. William R. Sinkin helped form a steering committee to study the possibilities in earnest. I give great credit to Mr. Simkin, and to his fellow committee members—their faith, and the faith they inspired in others—made it possible to examine the possibilities carefully, and to develop an actual operating group to test out ideas and develop detailed proposals. A little more than a year after my meeting with the Secretary of Commerce, there was a corporation—San Antonio Fair, Inc., which had some financing in the form of a $100,000 bank loan, and there was a solid economic feasibility study underway. By now the idea had grown into a fullfledged world's fair, and many people in San Antonio were, like myself, convinced that the right idea had come along at the right time and in the right place. In April, 1963, San Antonio Fair, Inc. examined its feasibility studies, took a deep breath, and voted to commit itself to carrying out an international exposition.

The first order of business was to obtain financing to cover the preopening costs of the fair corporation. Next the core staff had to be assembled, and then planning operations started in earnest. Finally, 5 years later, the gates would open—it was hoped—on the first international exposition staged in the Southwest.

Once the idea of HemisFair got around, people responded to it with an enthusiasm that was unheard of in San Antonio. The city had for years been torn by factional disputes, and for 30 years had been a state of economic stagnation. Few people believed that the city had very much of a future, or could stage a big and complex event. All of this changed when people heard of HemisFair. Here was a project to fill the imagination, an idea that people could respond to, and an invitation for everyone to help. HemisFair, if it was to succeed, needed everyone, and everyone proved willing to do his share. Suddenly, San Antonio was united as it had never been before. A $30 million bond issue to finance improvements that would be necessary for the fair passed by an overwhelming margin—not a single precinct reported a negative vote. To obtain bank loans, the fair corporation asked local businessmen to underwrite the obligations of the corporation. The response was overwhelming—individuals and businesses alike agree to underwrite the loans needed for interim operations. A loan of $4.5 million was needed, and pledges reached $5.543 million by September 1963. HemisFair had a staff, had money, and was ready to begin operations in earnest.

The first big decision was to go ahead with the fair, but the second was, where to hold the show, and how? The staff recommended a downtown site, and the decision then was taken to have the fair on a 92.6 acre site to be acquired and cleared by urban renewal. So it began, and the first visible operation was a $12.5 million urban renewal project, which would rebuild downtown San Antonio.

Next, the site had to be planned, and governments, both our own and others, invited to participate. This involved an enormous selling task, but when it was all over, the United States, 23 other countries, and a number of other exhibitors opened a show that revolved around the theme, "Confluence of Civilizations in the Americas." HemisFair depicted how men from many other countries came to the Western hemisphere and developed many new countries, and civilizations which mingled into what we hope will be a mighty confluence of mankind, much as men from many lands came to San Antonio to live together and form a great and growing city.

HEMISFAIR

HemisFair 1968 occupied a site 92.6 acres just south of the central business district of San Antonio. The structures associated with the fair cost $156 million, and included the U.S. pavilion, a very large and handsome one, and the Texas pavilion, also very large and distinguished. Industrial and foreign exhibits were housed in standard modular structures. A new, $13 million convention center offered exhibit space, a theater for performing arts, an arena, and other facilities. A 622 foot concrete tower, the Tower of the Americas, dominated the scene, offering views from the tallest observation platform in the hemisphere. Sprinkled in among the new buildings were 27 restored buildings, all of which had been preserved because of their historical significance to San Antonio. People could easily walk from one part of the fair to another by wide thoroughfares that could best be described as "people expressways" or they could ride either on a mini-monorail or a skyride. Others traveled to and through the grounds by means of boats, which cruised a lagoon and waterway system created from the San Antonio River.

At HemisFair, people could see exhibits ranging from a priceless collection of

Spanish art masterpieces to a show of paper products. People could see the finest collection of folk art in the hemisphere in the Girard collection, which was fully exhibited for the first time at HemisFair, or could see the KinoAutomat show, or Les Poupees de Paris, or they could simply take on the rides and games of the midway. They could eat anything from French cuisine to hotdogs, and could find entertainment ranging from a wax museum to beer gardens. There were serious exhibits, such as those of the United States and the State of Texas, and lighthearted shows such as the Coca-Cola pavilion offered. IBM and RCA demonstrated the versatility of computers, while the Gulf Oil Co. demonstrated safe driving on a simulated road, using tiny cars. It was a show such as had never been seen in the Southwest before, and people came away enthusiastic and happy. Many visitors came back as often as they could. Originally, the 1963 prediction was that 6.5 million people would come to the fair; in the end, 6,384,482 actually visited the grounds.

World expositions seldom make money, and HemisFair was no exception. All told, the San Antonio Fair corporation spent $25,570,591.67, while taking in $18,137,981.50, for a deficit of $7,432,610.17. But that investment produced an enormous legacy for San Antonio—$156 million in new structures alone, and $134 million in expenditures by visitors to the fair. For the future, it produced a sense of accomplishment for the citizens of San Antonio, and a knowledge of what the city can accomplish in the future, given determination and effort. For the Southwest, HemisFair provided a new focus on its place in the world, and a new sense of unity with the rest of the hemisphere. For all of us, it opened a new time of hope, a new promise for the future and a sense of pride in ourselves.

FEDERAL PARTICIPATION

The heart of a world exposition is the participation of the host government. It is possible to have a world's fair only when the host country participates, and agrees to ask others to join it. HemisFair enjoyed U.S. participation, and a kind of participation that marks the best of what this country can offer.

Congress agreed to recognize HemisFair by passage of Public Law 89-284, approved October 22, 1965. This bill affirmed the desire of Congress to study the feasibility of U.S. participation in HemisFair, and to consider how and to what extent any such participation might be carried out. An appropriation of $125,000 financed the study, which was the responsibility of the Department of Commerce.

The U.S. expositions staff, under the able leadership of Mr. John Orchard, undertook the study. The recommendation of the Secretary of Commerce, transmitted by President Johnson on May 13, 1966, was that the United States should participate in HemisFair, and asked that $10 million be appropriated for that purpose.

Congress, by passage of Public Law 89-264, approved on October 27, 1966, authorized participation in HemisFair, and later appropriated $6.75 million to provide for construction of a pavilion and the creation of exhibits. This agreed participation, plus the endorsement of HemisFair as a special category exposition by the Bureau of International Expositions—which is the official sanctioning body for world expositions—assured that HemisFair would have an international scope.

The Department of Commerce, through its expositions staff, decided on a U.S. exhibit that would center around the theme "Confluence, U.S.A." The idea was to show how people from all over the world settled the United States, forming a mighty confluence that became a Nation truly united; this was our legacy. The exhibit also intended to convey the harvest, showing how we enjoy the fruits of our great legacy. Finally, the exhibit ended by addressing itself to the promise of the future—what could be, if we stand true to our legacy.

This story was told in a two-building complex—one filled with exhibits, the other a 1,200 seat theater where the film "U.S." played to visitors.

From appropriation to opening day was 52 weeks, yet in that time the great building complex went up, the exhibits were designed and mounted, the film produced, the equipment installed, and everything tested and made to work on opening day. The pavilion emerged a thing of beauty, an object viewed with pride by virtually all who saw it. Two and a half million people visited the pavilion, and most of them saw the 23-minute Francis Thompson film "U.S." which critics described as "brave" and "dazzling." It was a frank look at ourselves and our future. Most visitors felt a sense of pride that the exhibit aimed to tell the truth, to ask hard questions, and to provoke honest and thoughtful responses to the problems of our land and our times.

The character of the exhibit and its exterior beauty were not the only things unique about the U.S. pavilion. It was the first pavilion erected from the beginning with the idea of permanence—not simply to be destroyed at the close of the fair. Today, the General Services Administration is deciding whether to convert the pavilion into a new Federal courts building, or to cede it to a local government unit such as the University of Texas, which proposes to use it as a medical education center or an administrative facility for the new University of Texas at San Antonio. Other possibilities are present, as well, but whichever is selected, the U.S. pavilion will be the best of all possible things—a useful thing of beauty.

I can report to the House that the Commerce Department discharged its responsibilities efficiently and effectively. The pavilion was mounted from start to finish in 58 weeks. Complex equipment, including a multiple-projector film unit and enormously complex screens and mechanical arrangements, worked to perfection for 99 percent of all scheduled shows. All of this the Commerce Department produced well within the budget allowed by Congress. It was and is a tribute to the effectiveness of the U.S. expositions staff, for which HemisFair was their first major test. It is this staff which will be responsible for developing and mounting the U.S. exhibit at our bicentenniel in 1976, and I think that based on the past performance of the group and its present director, J. William Nelson, we can be confident of an excellent show in 1976.

HEMISFAIR'S FUTURE

HemisFair is closed, but its future lies ahead. The grounds are now open in the form of an entertainment facility called Fiestaland. The tower of the Americas, with its revolving restaurant and observation platform, remains open and continues to draw crowds.

The Institute of Texan Cultures remains open, and is an institution offering lessons in living history. The Convention Center with its magnificent facilities, is attracting major conventions and offers an outstanding place to hold shows and functions of all kinds. Other buildings remain open as restaurants and shops. while planning goes on to determine the specific, most productive uses for all the grounds and facilities created and left by the fair. HemisFair began as a promise, and it remains as a promise. Having fulfilled the original dreams of its sponsors and more, it has opened new dreams for the future. To those who share these hopes for the future, the operating deficit of San Antonio Fair, Inc. is nothing; underwriters have gladly paid their pledges, and are looking toward tomorrow. They believe, and I think most of the people of San Antonio share that belief, that HemisFair marked more than the birthday of a gracious old city, but the beginning of a bright new era. To these, and to me, the closing of the gate a year ago marked the opening of a new and hopeful future.

On behalf of the people of the 20th Congressional District of Texas, Mr. Speaker, I thank the House and the Congress for having shared the promises of HemisFair, for participating in it, and for making possible the fulfillment of the best hopes of the people of San Antonio. They will not soon forget, nor can I, the response of the Congress to HemisFair.

REPORT ON THE EFFECT OF UNDERGROUND ATOMIC DEVICE TEST ON ISLAND OF AMCHITKA

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

Mr. HOLIFIELD. Mr. Speaker, I have requested special order time today to make a report on the effect of the underground atomic device test on the island of Amchitka in the Aleutian chain, 1,400 miles east of Anchorage, Alaska, at 12:06 p.m., Thursday, October 2, 1969.

First, let me state that the test was successful in every phase.

The predictions as to the explosion's register on the Richter scale was exactly as predicted by the expert seismologists who were hired by the AEC to estimate the event.

There was no—I repeat, no—release of fission products to the atmosphere from the atomic device which was detonated 4,000 feet below the earth's surface.

There was no deleterious effect upon the ecology that could be traced to that event. The bird and animal life on the

island is very sparse and no damage of any kind was observed. No dead fish were found in the waters which surround the island. Some of the sea otters had been removed to the coasts of Alaska and Washington State. A substantial number of free otters remained. About 20 of the sea otters had been confined in an enclosure in the adjacent ocean water for scientific observation and investigation purposes. The unusual shock caused frenzied activity in the observation pen and one otter was killed. A thorough autopsy was performed and no internal damage traceable to the shock disturbance was found.

I was at the control point about 27 miles away from ground zero at the time of the shot. We felt a tremor a few seconds after zero time, but that was all. The shock did not even disturb a pyramid of paper cups set up on a table there at the control point.

I toured the area of ground zero in a helicopter shortly afterward and the only damage we could see were a few panels loosened from a building directly over the shot hole, some damage to a trailer structure close by and a few small cracks in the roads leading to the shot hole. The next day I went to view the sea otters which had been penned not very far from ground zero and they were frisking around apparently none the worse for the experience. The attendants at the pen told me that their appetite and activity was normal.

A source of opposition has been the conservationists who oppose any changes to the environment. One article I saw in the paper referred to Amchitka as a "little Eden." I question the use of that term with respect to the island. We arrived 2 days before the shot on a cold, windy, wet, foggy day—with frequent rain squalls. The next day was no different. Fortunately the day scheduled for the shot turned out to be sunny and clear. I understand such weather is the rare exception. The following day, the day of our departure, was again a miserable, rainy, sleety day.

Besides the people who were involved in the conduct of the test and the sea otters the only other life I saw were a few small birds. The only trees I saw on the island were three small spruce about knee high which I understand were planted during World War II and have not grown in 25 years. These three trees are jokingly called the Amchitka Forest. Far from being a little Eden, Amchitka is a cold and forbidding place. As for returning it to its natural state, there are hundreds of quonset huts half buried in the ground left by our forces in World War II which would have to be removed at great expense to the taxpayers.

Fear had been expressed that the impact of the underground explosion would cause a tidal wave that would damage the coasts of Alaska, Washington, Oregon, and California. Also there was concern expressed by the elected officials from Hawaii. No such tidal wave occurred. The elected officials of these Western States in public statements before a Senate committee and in letters to the joint committee expressed their concern as was their privilege. In my opinion their statements were not based on the scientific data which was available and offered to them by the AEC and by me, as Chairman of the Joint Committee on Atomic Energy.

The statements made because of the panic type predictions did cause a great deal of fear and apprehension among the people of the various States. Their statements were based mainly on ambiguous and fear inspiring statements advanced by Dr. Kenneth Pitzer and possibly one or two other scientists. The amazing fact is that a great number of scientists and ecological and seismological experts took completely opposite views to Dr. Pitzer and his few fellow dissenters and doubters. No credit was given to the scientists who approved the test. No attention was given to the fact that there have been a number of earthquakes originating in the region of Amchitka whose Richter magnitude was as large or larger than those of nuclear devices in the megaton yield range. There was no significant effect outside of the immediate vicinity.

Many statements were made casting derogatory inference on the Atomic Energy Commission. Most of these statements were emotional diatribes inferring that the AEC had moved without adequate consultation with outside experts. The statements completely ignored the fact that the AEC has developed over the past 23 years the greatest team of experts in the world on all matters pertaining to the construction and testing of atomic-hydrogen weapons and devices.

The statements also ignore the fact that the AEC contracted for special services and advice from the U.S. Coast and Geodetic Survey, ground motion and seismic studies; the U.S. Geologic Survey, ground motion and geology; the U.S. Public Health Services, offsite radiological safety; the U.S. Bureau of Fisheries and Wildlife, bioenvironmental; the Bureau of Commercial Fisheries, bioenvironmental; the State of Alaska, bioenvironmental; ESSA Air Resources, weather; the Battelle Laboratories of Ohio, ecological studies; and J. A. Blume, structural response, among others.

Mr. Speaker, I include with my remarks a list of contractors drawn from the industry who also participated in the construction, operations, and support services and a statement on review procedure.

Mr. Speaker, the Atomic Energy Commission's team of scientists and operational test engineers are the most knowledgeable in the world. They have conducted 477 announced tests of atomic weapons and atomic devices. All have been conducted efficiently and with safety.

Of these announced tests 287 have been underground; 175 have been atmospheric; 10 have been at high altitude; and five have been underwater.

It is because of this experience based on an increasing fund of laboratory and nonlaboratory experiments and tests which have demonstrated an unparalleled record of safety that the members of the Joint Committee express their confidence in their operations.

The particular test on Amchitka Island has been watched closely by the Joint Committee since it was proposed some 3 years ago. We have been aware of every state of its development. We have approved the program as being essential to the national security.

At the time of the hearings on the Limited Test Ban Treaty, the Congress agreed to that treaty provided certain safeguards were followed. One of those safeguards is the conduct of a vigorous underground nuclear testing program. The test of Amchitka was an event in furtherance of the maintenance of this safeguard.

Mr. Speaker, almost every atomic energy test that has been announced has brought forth the voice of protest. Recent tests held in New Mexico—Gasbuggy—and Colorado—Rulison—to liberate gas from gas and oil rock formations were opposed, in most instances, by professional dissenters, sign carriers, and so forth. All of their irresponsible statements of earth shock to nearby communities or the release of radiation gases were discredited by the accurately predicted effects of the scientists, biologists, ecologists, and test engineers.

It is apparent that there are individuals who wish to create doubt in the minds of our people about the way our Government is conducted, individuals who wish to inspire fear and dissension, and individuals who, for personal reasons, are more interested in having their own timid views prevail rather than to see our Nation move forward in the continuing spirit of challenge and pioneering under which it was founded.

Mr. Speaker, the panic prophecies and irresponsible statements which were made also ignored the fact that there does exist a Joint Committee of 18 U.S. Representatives and Senators which was established by both the House and the Senate in 1946. They are charged with the responsibility of scrutinizing continuously every program and expenditure of the Atomic Energy Commission whose five members are outstanding scientists, engineers, lawyers, and administrators appointed by the President and confirmed by the Senate.

As a member of the Joint Committee since its inception some 23 years ago, I can state without reservation that every Member of the House and Senate who have served on that committee have been men of dedication to the public safety and to the continuous development, not only of military devices, but of peacetime application. Due to the strong mandate of the Atomic Energy Act, the Commission and the Defense Department must "keep the committee fully and currently informed" as to all of their actions regarding the use or development of atomic weapons or devices.

The Joint Committee takes its great responsibility very seriously. We realize the grave commitment we have made to the Congress and the people of the United States. We have produced over the years hundreds of volumes of hearings and reports which stand as reference textbooks in practically every university in the United States and many foreign countries.

It has been our constant endeavor to declassify classified information so that a maximum amount of atomic technology in peacetime application could be

available throughout the world. Over 1,100 peacetime applications have been developed including the important use of atomic energy for electrical generation. It is only in the field of weapon construction, inventory, distribution, and military use that classification is required for the obvious reasons of national security.

The record of the Atomic Energy Commission and the Joint Committee stands as an outstanding example of executive and legislative cooperation. In my humble opinion it needs little in the way of apology. Its members believe that based on the record, we have earned the respect of our colleagues and the people of our country. We will continue to watch every program carefully so as to discharge our responsibility to the best of our ability to our colleagues and to the Nation.

The material referred to follows:

ATOMIC ENERGY COMMISSION REVIEWS TO INSURE SAFETY OF NUCLEAR OPERATION

The Atomic Energy Commission is responsible for public safety for all U.S. nuclear detonations. Within the continental United States, the Commission implements this responsibility through its Nevada Operations Office, which in turn is directly supported by the weapons laboratories, associated government agencies, specialized contractors and independent consultants.

The Nevada Operations Office conducts those studies and reviews which are necessary to predict reliably the effects of nuclear detonations which may affect the safety of people and property. We do not consider ourselves infallible in defining safety problems or arriving at credible and practical solutions to these problems. For this reason, recognized experts in the pertinent scientific disciplines are consulted. These disciplines include, but are not limited to: health physics, biology, meteorology, seismology, hydrology, geology, ecology, structural response to ground motion, and rock mechanics.

MORE THAN 477 TESTS

This continuing effort on the part of NVOO, its contractors, and consultants has permitted the execution of 477 announced nuclear weapons tests with minimal property damage and only two cases of minor personal injury to persons not related to the program. In 1953 an elderly Nevada resident reportedly sprained his shoulder as a result of falling when startled by the air shock from a nuclear explosion. Although corroborative evidence was lacking, the coincidence of the atmospheric test with his fall and in consideration of the fact that an injury was sustained, that portion of his claim relating directly to medical treatment was allowed by the Commission. In another case, a person was injured by a falling brick during an underground nuclear test in Mississippi. Medical expenses incurred as a result of this accident were paid by the Commission.

Preparation for the safe conduct of an event is based upon prediction of the effects of the maximum credible accident which could accompany that event. Precautionary measures are taken to ensure that public safety will be protected, should an accident materialize. NVOO measures and documents the actual effects of the test in order to take emergency action to protect life and property, if necessary, and to improve the accuracy of the predictive effort for future tests. Effects measurements also provide a basis for settlement of valid damage claims and for protection against invalid claims. A strong effort is made to ensure that effects data are properly interpreted and made accessible to the public and interested organizations.

Prior to any nuclear detonation there are a series of reviews to ensure that the detonations are conducted safety and within the constraints of the Limited Test Ban Treaty. All nuclear tests do not necessarily involve all of the individual steps; however, unusual tests may receive reviews from the entire system. Enclosure I shows a listing of various safety review organizations; enclosure II provides the organizational structure.

SAFETY PROCEDURES REVIEWED

The sponsoring laboratory performs safety evaluations related to nuclear systems safety, that is, procedures associated with assembly of the device, transportation, and emplacement, as well as the detonation system. These nuclear safety procedures are later independently reviewed by a group of knowledgeable persons (nuclear safety survey group or nuclear safety study group) and when appropriate, recommendations are made to assure safe assembly, transportation, etc.

The laboratories evaluate and assess those man-made and natural conditions which influence containment of the explosion. Each event is then reviewed by a Test Evaluation Panel composed of individuals with considerable experience in nuclear testing. Most events are reviewed several times. The organizations furnishing Panel members are the Los Alamos Scientific Laboratory, Lawrence Radiation Laboratory, Sandia Laboratory, Department of Defense, Air Resources Laboratory-Las Vegas, U.S. Public Health Service, AEC, and independent consultants. Every aspect of the event which might affect containment is reviewed by this Panel as preparations for the event are made. A detailed study of the geological features around the shot point is made by the U.S. Geological Survey and presented by the Panel. If there are indications of possible faults or other geologic anomalies which may affect containment, new shot points are recommended by the Panel. A careful study is made of the drilling, casing, and grouting history of each of the emplacement and satellite holes to ensure that there will be no man-made path to the surface. The proposed stemming plan (that is, the method to be used for filling the emplacement and instrument holes) is approved by the Test Evaluation Panel. The same type of reviews are made to assure containment of a test to be made in a tunnel instead of a drilled hole.

For selected tests, normally those involving a new medium or an off-NTS location, or in the yield range that will be readily perceptible offsite or may possibly damage critical onsite structures, or for cratering and industry-related Plowshare tests, or for other unusual situations, an Effects Evaluation Report is prepared. This report is reviewed by experts within the test organization and by independent panels of experts. A general review is made by a panel which is composed of experts in the disciplines of special concern. For some effects, such as earthquake phenomena and ground motion effects upon structures, a special panel may be established.

EFFECTS EVALUATION REPORT

The Effects Evaluation Report is based upon the output of six Scientific Management Centers which provide technical coordination of NVOO contractors assigned to study special effects, e.g., Sandia Laboratory is the Scientific Management Center for ground motion and structural response supported by the Environmental Research Corporation and the John A. Blume organization. These contractors provide predictions of ground motion and the response of structures to this phenomena. The Lawrence Radiation Laboratory, the Scientific Management Center for seismicity, is supported by participating government agencies and contractors such as the U.S. Geological Survey's Office of Earthquake Research and Crustal Studies, ESSA's Earthquake Mechanism Laboratory, U.S. Coast and Geodetic Survey, and by special arrangements with the California Institute of Technology, University of Nevada at Reno, University of California at Los Angeles, and others. The Centers and support are summarized in Enclosures IIIA through IIIG.

For selected events, an Effects Evaluation Scientist is appointed from one of the Centers and a NVOO professional from the Effects Evaluation Division is assigned. This team prepares a comprehensive effects evaluation prediction based upon output from each of the Centers. This report is then reviewed by (1) the Centers, for accuracy and completeness; (2) NTS/STS Planning Board, particularly by its Ground Shock Subcommittee; (3) NVOO Panel of Safety Consultants; (4) the Test Management's Staff; (5) a special panel of experts if unusual effects are involved, e.g., seismicity or tsunami; and (6) the Manager, NVOO, and Scientific Advisors comprised of senior scientists from the three (weapons) laboratories. For industry-sponsored events, e.g., Project Rulison, another review is made by the NVOO Plowshare Advisory Group composed of laboratory, industry, and Department of the Interior representatives.

AEC Headquarters staff, and finally the Commission, review the safety of each event. and if they are satisfied, grant authority for its execution.

Even though these reviews are made and every possible precaution has been taken to ensure that no radioactivity will reach the surface, preparations for detonation of the device assume that the maximum credible release of radioactivity will occur. Plans are made for the prompt evacuation of populated areas on or off the site in the unlikely event a release of radioactivity occurs with unacceptable levels of radiation. When predicted levels of ground motion or other effects indicate it to be prudent, evacuation of the affected populace is accomplished prior to detonation of the nuclear device.

PUBLIC HEALTH SERVICE MONITORS

The U.S. Public Health Service places offsite radiation monitors in the downwind direction in order that full information may be obtained for corrective action if there is an accidental release.

The Test Manager has established an Advisory Panel made up of specialists in meteorology, radiation, and medicine to advise him as to the hazards to be expected from each event. Other disciplines are added to the Panel as conditions warrant. The Panel chairman is a scientist who is familiar with the nuclear device, timing, and firing systems, and program objectives.

Although the Test Manager's Advisory Panel may meet several times, months in advance, to discuss specific problems on difficult or unusual shots, the Panel always meets the day before the detonation to hold a readiness briefing in which the control plans are reviewed. A weather prediction for shot time meterological conditions is provided and a review is made of the preparation for onsite and offsite safety and population control. The Advisory Panel meets continuously in the period immediately prior to firing to insure that the acceptable conditions have been established. If it is determined that, with the maximum credible accident, the test can be safely carried out, a recommendation is made to the Test Manager that the detonation may proceed.

The Test Manager's Advisory Panel also reviews the last-minute preparation to ensure that requirements of operational and safety plans have been implemented.

Radiation monitoring instruments are installed and operated on each event to record the existence or absence of radiation. At shot time, at least two airplanes—one equipped with monitoring instruments, the other with sampling equipment—are airborne. Samples are immediately brought back to the South-

western Radiological Health Laboratory for analysis.

EIGHTEEN YEARS OF TESTS

Testing has been carried out at the Nevada Test Site for 18 years; underground detonations for about 12 years. Three or more camp sites are operated constantly. The largest of these is at Mercury. There are also camps in the forward area. The population at these camps may vary from 500 to 2,500 people. The total NTS working population varies from 8,500 to 10,500 people. Although this relatively large number of people live and work within a few miles of ground zero of even the largest yield tests, there has never been an injury among them as a direct result of a detonation. These people are provided drinking water from wells located at the active test area; continuous monitoring confirms freedom from contamination of this water.

We are constantly striving to improve the accuracy of our prediction capabilities in all areas, and have made much progress. This progress in prediction capabilities and containment techniques was necessitated by the increased complexity of experiments. All those involved in the test program recognize the potential hazards involved in it, but rely with confidence on a proven system based upon taking those actions necessary to protect against the effects of the maximum credible accident.

NVO EFFECTS EVALUATION PROGRAM

SCIENTIFIC MANAGEMENT RELATIONSHIPS

For the conduct of the NVO Effects Evaluation Program, the following organizations, principal members and alternates have been assigned as scientific managers for the disciplinary areas indicated:

Over-all Management: AEC Nevada Operations Office, Effects Evaluation Division; Dr. Elwood M. Douthett.

Ground Motion, Air Blast, Structural Response: Sandia Corporation, Albuquerque, New Mexico; Dr. Byron F. Murphey, Dr. John R. Banister.

Geology, Hydrology: U.S. Geological Survey, Denver Federal Center, Denver, Colorado; Dr. William S. Twenhofel.

Aftershock Seismicity, Product Contamination; Lawrence Radiation Laboratory, Livermore, California; Dr. Harry L. Reynolds, Dr. James W. Hadley.

Tsunami, Eyeburn: Los Alamos Scientific Laboratory, Los Alamos, New Mexico; Dr. William E. Ogle, Dr. Charles I. Brown.

Atmospheric Transport, Fallout, Climatology: ESSA/Air Resources Laboratory, Las Vegas, Nevada; Mr. Philip W. Allen.

Ecology: Battelle Memorial Institute, Columbus, Ohio; Dr. R. S. Davidson.

SANDIA LABORATORIES MANAGEMENT AREA

For the conduct of the NVO Effects Evaluation program, the following functional relationships have been assigned between Sandia Laboratories and the NVO Contractor/Agreement Agencies for the scientific management of the Ground Shock, Air Blast, and Structural Response Programs:

Scientific Management: Sandia Laboratories, Albuquerque, New Mexico; Dr. Byron F. Murphey, Dr. John R. Bannister.

Ground Motion Measurements: ESSA/U.S. Coast and Geodetic Survey, Special Projects Party, Las Vegas, Nevada; Mr. Kenneth W. King.

Ground Motion Evaluation: Environmental Research Corporation, Alexandria, Virginia; Mr. O. Allen Israelson.

Structural Dynamic Effects: John A. Blume & Associates, San Francisco, California; Dr. John A. Blume.

Mine and Well Studies: U.S. Bureau of Mines, Denver Mining Research Center, Denver, Colorado; Dr. Paul L. Russell.

U.S. Geological Survey management area

For the conduct of the NVO Effects Evaluation Program, the following functional relationships have been assigned between the U.S. Geological Survey and the NVO contractors for the scientific management of the Geology and Hydrology Programs:

Scientific Management: U.S. Geological Survey, Denver, Colorado; Dr. William S. Twenhofel.

Internal Geological Studies: U.S. Geological Survey, Denver, Colorado; Dr. William S. Twenhofel.

Hydrological Studies: U.S. Geological Survey, Denver, Colorado; Mr. Samuel West.

Ground Water Contamination: Isotopes, Inc., Palo Alto, California; Dr. Paul R. Fenske.

Central Nevada Studies: University of Nevada, Desert Research Institute, Las Vegas, Nevada; Mr. Alan E. Peckham.

Lawrence Radiation Laboratory Area

For the conduct of the NVO Effects Evaluation Program, the following functional relationships have been assigned between the Lawrence Radiation Laboratory and the NVO Contractor/Agreement Agencies for the scientific management of the Aftershock Seismicity Program:

Scientific Management: Lawrence Radiation Laboratory, Livermore, California; Dr. Harry L. Reynolds, Dr. James W. Hadley.

Seismic Measurements: ESSA/U.S. Coast and Geodetic Survey, Special Projects Party, Las Vegas, Nevada; Mr. Kenneth W. King. ESSA/Earthquake Mechanisms Laboratory, San Francisco, California; Dr. Donald Tocher, Colorado School of Mines, Boulder, Colorado; Dr. Maurice W. Major.

University of Nevada, MacKay School of Mines, Seismological Laboratory, Reno, Nevada; Dr. Alan S. Ryall.

U.S. Geological Survey, Denver, Colorado; Mr. Frank A. McKeown. USGS Earthquake Laboratory, Menlo Park, California; Dr. John H. Healy.

California Institute of Technology, Pasadena, California, Dr. Stewart Smith.

University of California, Los Angeles, California, Dr. Leon Knopoff.

Sandia Laboratories, Albuquerque, New Mexico, Mr. William Perret.

Los Alamos Scientific Laboratory Management Area

For the conduct of the NVO Tamarin Program, the following functional relationships have been assigned between the Los Alamos Scientific Laboratory and the NVO contractors for the Scientific Management of the Water Wave Program:

Scientific Management—Los Alamos Scientific Laboratory, Los Alamos, New Mexico; Dr. William E. Ogle, Dr. Charles W. Browne.

Tsunami: Tamarin Committee, Dr. Kenneth H. Olsen, LASL, Chairman. A. C. Electronics/Defense Research Laboratory, Mr. J. E. McNeil, Santa Barbara, Calif.; Tetra Tech, Dr. B. LeMehaute, Pasadena, California; University of Hawaii, Dr. William M. Adams, Honolulu, Hawaii.

Environmental Science Services Administration Management Area

For the conduct of the NVO Effects Evaluation Program, the following functional relationships have been assigned between the U.S. Environmental Science Services Administration and the NVO contractors for the scientific management of the Fallout Program:

Scientific Management: U.S. Environmental Science Services Administration, Las Vegas, Nevada; Mr. Philip W. Allen.

Fallout Models, Atmospheric and Cratering Events: ESSA Air Resources Laboratory, Silver Spring, Maryland, Dr. Lester Machta.

Radiation Models, Underground and Plowshare Events, Weather and Trajectory Prediction Studies: ESSA Air Resources Laboratory-Las Vegas, Las Vegas, Nevada; Mr. Philip W. Allen.

Long Range Diffusion Study: Meteorology Research, Inc., Altadena, California; Dr. Paul MacCready.

Battelle Laboratories management area

For the conduct of the NVO Effects Evaluation Program, the following functional relationships have been assigned between Battelle-Columbus Laboratories and the NVO Contractor/Agreement Agencies for the scientific management of Ecology Management Programs:

Scientific Management: Battelle Laboratories, Columbus, Ohio; Dr. Richard S. Davidson, Dr. James B. Kirkwood.

Vegetation and Soil Response to Underground Detonations: The University of Nevada at Reno, College of Agriculture, Reno, Nevada; Dr. Paul T. Tueller.

Ecology Research: Battelle Laboratories, Columbus, Ohio; Dr. Richard S. Davidson.

Marine Ecology and Oceanography: U.S. Bureau of Commercial Fisheries, Seattle, Washington; Dr. Bruce McAlister.

Marine Ecology and Oceanography: University of Washington, Seattle, Washington; Fisheries Research Institute, Dr. R. L. Burgner.

Freshwater Ecology: Utah State University, Dr. J. N. Neuhold; The Ohio State University, Institute of Polar Studies, Dr. D. D. Koob.

Geomorphology: The Ohio State University, Institute of Polar Studies, Dr. K. R. Everett.

Plant Ecology: University of Tennessee, Dr. E. E. C. Clebsch.

Avian Ecology: John Hopkins University, Dr. Francis S. L. Williamson.

Radiometric and Elemental Analysis: University of Washington, Seattle, Washington, Dr. A. H. Seymour.

Mr. PRICE of Illinois. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I am happy to yield to my colleague on the Joint Committee, one of the charter members. There are only three charter members left. The gentleman and I went on the Atomic Energy Committee when it was first established in 1946. I am proud to yield to him.

Mr. PRICE of Illinois. I thank the gentleman.

I want to commend the gentleman from California who is the chairman of the Joint Committee on Atomic Energy, and who, as he just stated, is a charter member of the committee, having been appointed to that committee in August of 1946.

As the gentleman stated in his remarks, this test was not something that arose suddenly with which a proper committee of the Congress was not well acquainted. We have been briefed for a long time on the Amchitka test. The Commission was as careful and as cautious in this test as it has been in all the tests that have been conducted since the beginning of this program.

I believe the Congress is indebted to the gentleman for taking so much of his important time to travel to Amchitka to view the tests and find out the plans and operations, to check the prelude to the tests, and to come back here and make before the Congress such a detailed report.

I hope, if the test still has any critics, they will avail themselves of an opportunity to read this first-hand report which the gentleman has brought back.

Mr. HOLIFIELD. I thank the gentleman for his remarks. I should like to call the attention of the House to a picture which was printed in the Anchorage Daily News of October 4, on Saturday. It is entitled, "What the Blast Did."

It shows a small crack in the ground right near the test hole, within a few yards of the test hole. To prove the objectivity of the report, they have a quarter lying on the ground, and the quarter is wider than the crack in the earth that occurred. This crack was a very shallow crack; it did not go anywhere near 50 feet in depth. This is an objective way of reporting an event.

I have already placed in the Extensions of Remarks in the RECORD, one of the editorials from this paper which is entitled "Chicken Little's Old Tale." We all remember the alarmist that went through the barnyard saying that the sky was going to fall on all the animals. This reminds me of some of the scare phraseology that was used by some of the people who were not informed as to the degree of experience which the Atomic Energy Commission has in this field and the degree of consultation they made with outside experts in all the fields of geology, ecology, radiation, and all the other fields which might pertain to the effect of a weapons test or a device test.

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

Mr. HOLIFIELD. I am glad to yield to the distinguished chairman of the Committee on Aeronautics and Space Sciences, who has tremendous dealings with scientists and who recognizes all the detailed precautions which are frequently taken in the launching of missiles into outer space and the devices that are contained in the missiles.

Mr. MILLER of California. I want to join my colleague in congratulating the gentleman on a very fine report, one on which he has worked hard and one which he was not required to make at this time.

I want to congratulate the Atomic Energy Commission on the very fine work it has done not only here but also since its organization. Our paths have crossed somewhat. I am not an authority on it, but I am not entirely unfamiliar with the work of the Commission or the objectives of the Commission.

The objectives of the Commission, just like those in space, are serving the people of this country and the world to the best of our ability.

Somehow we have to pull back the screen or the curtain with which nature hides some of her secrets if we are going to capture for the people of the future the benefits that she has so carefully hidden.

Mr. HOLIFIELD. Mr. Speaker, I thank the gentleman for his kind remarks and certainly concur with him that our two committees on many occasions in the past, as we will continue in the future, have taken a great interest in these events. Both committees are working very hard, and their members are dedicated. They want to bring to the American people and the people of the world the tremendous advances in sciences for both programs which they have brought about.

I have often thought if the people who carried placards and marched in waves of protest against everything that is a part of the present establishment or part of our future world and the problems that we are trying to solve which are some of the basic problems which face not only our own generation but future generations—if these people could put in one one-hundredth of the time that the members of the two committees, the Joint Committee on Atomic Energy and the Committee on Astronautics and Space did in studying these programs, they might very well burn their placards and signs and save their shoe leather in their protests.

In the recent two tests in trying to unlock the tremendous gas and oil deposits from the almost inexhaustible supply of oil rock and oil shale which exists in States like New Mexico and Colorado we were faced with marchers and protesters against the tests. They said that the bluffs of the Colorado mountains would fall on the city of Denver and made all kinds of fantastic and irresponsible statements. There was nothing that happened either at the Gas Buggy test in New Mexico or at the Rulison shot in Colorado which was not predicted beforehand. One of the real demonstrations of the expertise of the people who were conducting these tests is that they predicted this test at Amchitka would register 6.5 on the Richter scale. That is exactly what it registered—6.5. This is an amazing fact.

I might say that I never thought I would be glad that an earthquake had occurred, and I am not glad that the earthquake did occur at San Jose, Calif., which did a great deal of damage, some 24 hours before the test at Amchitka. However, I am very thankful that the timing was not so that the earthquake occurred after the test, because it would have been ascribed to the test at Amchitka, which would have been completely wrong.

Of course, I know the detractors and dissenters will continue their irresponsible opposition to these programs and if any earthquake occurs anywhere on the west coast or in the islands of the Aleutian chain, be it in 1 year or 10 years from now, it will undoubtedly be ascribed to this test, although from time immemorial these earthquakes have been occurring. As I said in my prepared remarks, as a matter of fact, some of them have been much stronger than the test of the atomic device which was done in the interests of national security.

Mr. HANSEN of Idaho. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I shall be happy to yield to the gentleman from Idaho.

Mr. HANSEN of Idaho. I thank the distinguished gentleman from California for yielding and I would like to commend and pay tribute to the distinguished chairman of the Joint Committee on Atomic Energy for this very informative and reassuring report.

It is my privilege to represent the Second Congressional District of Idaho where the National Reactor Testing Station is located and as one of the beneficiaries of the leadership of the effective work done by the distinguished chairman, I should like to acknowledge the contributions that the distinguished gentleman has made in the past, the chairman of that committee, as well as the contributions which have been made by the other members of the committee in advancing in an orderly and constructive manner the atomic energy industry in this country.

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

Mr. HOLIFIELD. I shall be glad to yield to the gentleman from Alaska.

Mr. POLLOCK. Mr. Speaker, I thank the distinguished chairman for yielding and I wish to add my congratulations to those which have been extended by others to the gentleman upon a very fine report and to indicate firsthand the fact that many of my constituents in Alaska were delighted that you were there and had the pleasure of meeting you and becoming acquainted with you at Amchitka as well as at Anchorage when you left Amchitka.

Mr. Speaker, I want to emphasize a point that you made and that was that the Atomic Energy Commission did a very exemplary job and they knew precisely the strength of the detonation that took place. Every precaution was taken in this test on which they had been working for some 2 years. It was very interesting that there was virtually no protest of any kind with reference to this test until the last 2 weeks before the blast. Everything went exactly on schedule. As has been indicated, insofar as I know there was absolutely no venting, no leakage, and no problems of any kind.

I am delighted with the results and I know that the chairman of the joint committee is equally delighted.

Further, Mr. Speaker, I want to emphasize another point with reference to this matter about the earthquake in California. While it is most regrettable that it had to happen in California, it did take place before the test at Amchitka and not the day after.

I thank the distinguished chairman for his contribution in carrying out this test.

Mr. HOLIFIELD. I thank the gentleman from Alaska and compliment him upon his soberness of judgment which did not cause him to contribute to the fear of consternation which many people who were uninformed had issued statements that were made which were emotional and in my judgment irresponsible.

I had the pleasure of traveling with the gentleman's district representative out to the island of Amchitka. He was there as I was in the control station which was only about 27 miles from the point of detonation. I found him to be well informed as to what was taking place and I found that he had no apprehension in regard to this matter. He had curiosity, of course, and probably it was the first time he had ever attended one of these tests. He, of course, did not have the background of knowledge as the older Members of the Congress have and certainly those on the Joint Committee with reference to previous tests. However, he, nevertheless, showed his confidence in the national program by appearing there and showed that he was not afraid for his own private safety in doing so.

Mr. POLLOCK. Mr. Speaker, if the gentleman will yield further, I would like to tell the chairman of the committee

that I wish very much that I personally could have been there. However, I had a previous commitment and could not be present. However, my district representative went there in my stead. The gentleman from California is absolutely right. He was very confident that it would work out as it did and he was delighted to be with you.

Mr. HOLIFIELD. Thank you very much. I think the Atomic Energy Commission did a very good job. They established at the Anchorage Westward a large room in which they had different charts and different information available for the people in the way of the effects and there were pamphlets and so forth available for their use. I conducted a press conference there at their request and the request of local papers and over radio and television. I must state to the gentleman from Alaska that the people of Anchorage greeted me very well.

As the gentleman knows, I have a brother who served in the Air Corps during World War II in Alaska. He liked it so well up there that he went back to his home in Oregon, married his high school sweetheart, and went back up to Alaska. He has since served in the Alaska Territorial Police, and in the State police, and is now serving in the U.S. Customs Office at Anchorage.

He was there during the earthquake of 1964, and I received both from him and his wife a flavor of that experience. It must have been a traumatic experience for the people of Anchorage. As I said in my press conference, I could well understand their concern, particularly when it was augmented by fear statements of different kinds. But I am sure that they rest easier today, and they did the day after, as a result of the fact that there was no tidal wave sweeping over Alaska, there was no earthquake in Alaska, there was no radiation cloud over Alaska. In fact, if they had not heard about it on the radio and the television, they would never have known that the test was taking place.

Mr. POLLOCK. Mr. Speaker, if the gentleman will yield further, I would like to say that the gentleman's brother is well known in Alaska. He served with distinction in the Territorial police and wtih the State police forces which were established at the time I was in the Alaskan Territorial Legislature. He and many others like him make us very proud of the statements that have been made concerning Alaska in this body.

Mr. HOLIFIELD. I think the Alaskans are grand people, and they certainly treated the members of the Atomic Energy Commission and their employees and also me with the greatest of courtesy.

Mr. POLLOCK. We thank the gentleman very much for his kind statement.

Mr. HOLIFIELD. Mr. Speaker, I yield back the balance of my time.

TWENTY-FIVE MEMBERS OF CONGRESS INTERVENE IN FEDERAL AIR POLLUTION ANTITRUST SUIT AGAINST MAJOR AUTOMOBILE COMPANIES

The SPEAKER pro tempore (Mr. PATTEN). Under a previous order of the House, the gentleman from New York (Mr. FARBSTEIN) is recognized for 20 minutes.

Mr. FARBSTEIN. Mr. Speaker, last Friday, I lead a group of 25 Members of Congress in asking for a 60-day delay in the signing of the court decree in the Federal air pollution antitrust suit against the major auto companies in order to permit a congressional investigation.

At issue is a proposed consent decree announced by the Justice Department on September 11, which would terminate the proceedings against the auto companies on charges of collusion to delay the development and manufacture of air pollution control devices for automobiles. Strong opposition to the decree has come from municipalities, national organizations, and over 60 Members of Congress.

The public interest in the case led the presiding judge to take the extraordinary step of inviting the views "of all interested persons and public bodies."

Responding to this invitation, we submitted a petition to the judge asking that the court delay its decision in order that further information on the case can be made available.

The Justice Department's action in this case is a glaring blunder. They are willing to throw 2 years of work gathering evidence down the drain—this after spending a million dollars, employing eight full-time staff members, conducting an 18-month grand jury probe and subpenaing scores of witnesses from across the country. We are asking the court to administer justice where the Justice Department is apparently willing to let it slide.

The public and more importantly for this case, the court should be fully apprised of how acceptance of this decree will increase the probability of choking to death on dirty air. We believe that a congressional investigation can bring out these facts.

We have also sent a request to Attorney General John Mitchell asking him to "exercise his option" under the proposed consent decree to delay the decision.

A list of the cosigners of the requests follows:

Leonard Farbstein (N.Y.).
Brock Adams (Wash.).
George Brown, Jr. (Calif.).
Joseph Addabbo (N.Y.).
Mario Biaggi (N.Y.).
Phillip Burton (Calif.).
James Corman (Calif.).
Harold Donohue (Mass.).
Seymour Halpern (N.Y.).
Henry Helstoski (N.J.).
James Howard (N.J.).
Edward I. Koch (N.Y.).
Abner J. Mikva (Ill.).
Thomas P. O'Neill (Mass.).
Richard Ottinger (N.Y.).
Bertram Podell (N.Y.).
Adam C. Powell (N.Y.).
Peter Rodino (N.J.).
Fred Rooney (Pa.).
Thomas Rees (Calif.).
Benjamin S. Rosenthal (N.Y.).
Edward Roybal (Calif.).
William F. Ryan (N.Y.).
James Scheuer (N.Y.).
John V. Tunney (Calif.).

THE CITY OF NEW YORK ALSO INTERVENES AGAINST THE AUTOMOBILE INDUSTRY

A few weeks ago, a bipartisan group of 16 members of the New York City congressional delegation wrote Mayor John V. Lindsay and City Council President Francis X. Smith urging the city to intervene in the Justice Department suit in opposition to the proposed consent decree.

This letter brought the city's intervention last Friday. In its petition to the court, the city asked the judge to reject the consent decree and thus permit an open trial and presentation of the Justice Department's evidence to take place. If the judge decided to accept the decree, it asked for the inclusion in the decree of a clause which would assist State and local governments in any treble-damage actions they may bring. The city also asked the court to order the Department to retain custody and control of all of the documentary evidence assembled for the grand jury which first considered the conspiracy and to make copies available to all State and local governments which file treble-damage actions.

Early last week, I received a communication from our very able city council president, Francis X. Smith, indicating that as a result of our request, the city had decided to intervene in the Justice Department suit. His letter came as the city's consumer affairs commissioner was writing the Attorney General to urge him to withdraw the proposed consent decree.

I am pleased that the city, just as individual Members of Congress, has joined in fighting the Justice Department's proposed consent decree. It is the responsibility of all public officials to protect the rights of the residents of our large cities who suffer from a daily bombardment of noxious emissions from automobile engines.

The legal process can be a valuable weapon in protecting these rights. This particular case, which is far from over, has suggested certain legislative reforms which can make it an even more valuable weapon. I hope to introduce legislation to achieve this objective in the near future.

Our congressional letter to the city of New York, the consumer affairs commissioner's letter to the Attorney General, and Mayor Lindsay's letter to me follow:

SEPTEMBER 17, 1969.

Hon. JOHN V. LINDSAY,
Mayor,
Hon. FRANCIS X. SMITH,
President, City Council,
City of New York,
New York, N.Y.

GENTLEMEN: On September 11th, the U.S. Department of Justice announced its agreement to a consent decree in its air pollution anti-trust suit against the four major automobile manufacturers. This action effectively compromises rights of the 8½ million residents of the City of New York who suffer from a daily bombardment of noxious emissions from automobile engines.

New York has the dubious distinction, according to the National Center for Air Pollution Control, of having the highest concentration of pollution of any American city—higher even than smog-ridden Los Angeles—more than two-thirds of which is due to the 2½ million automobiles which use the City's streets each day.

Medical research has linked air pollution to the cause and aggravation of many serious diseases including lung cancer, emphysema, chronic bronchitis, asthma and other respiratory allergies, heart disease, genetic mutation and the common cold. The City is forced to spend large amounts of its annual medical care budget in treating victims of respiratory and pulmonary ailments.

High concentrations of pollution have already triggered several major city-wide catastrophies; the most recent, the inversion of Thanksgiving Day 1966, has been linked directly to the deaths of nearly 100 persons, and is presumed to be responsible for many more.

In 1966, the Mayor's Task Force on Air Pollution estimated that City residents were paying nearly one-half billion dollars per year in added expenses for the cleaning and upkeep of clothes and property and for the repair and protection of possessions against deterioration.

Air pollution and its attendant costs and problems has been a major contribution to large-scale residential and business exodus from the central city, from Manhattan in particular, with a resultant tax loss to the City.

The City's air pollution control program, on which more than 18 million dollars has been spent since 1953, has been thwarted in large part by the failure of automobile manufacturers to develop effective pollution control devices.

The Justice Department, in bringing suit against the major automobile companies charged that the manufacturers agreed to pursue research, development, manufacture and installation of pollution control devices on a non-competitive basis, that they agreed to seek joint appraisal of patents submitted by any persons not a party to the cross-licensing agreement, and that they agreed on at least three occasions—in 1961, 1962 and 1964—to *attempt to delay installation* of motor vehicle air pollution control equipment.

If the September 11th consent decree is permitted to go into effect at the end of the 30 day grace period, these allegations will never be tested in open court—and the evidence compiled over a two-year period by the Justice Department will be inaccessible to municipalities or private citizens interested in follow-up suits.

The City, which has purchased nearly 10,000 cars and trucks since 1953—the year the collusion alleged by the Justice Department began—has a responsibility to its citizens to see that their rights to a pollution-free city are not thwarted.

We therefore call upon the City of New York to intervene immediately in the Justice Department suit on behalf of its 8½ million citizens, requesting that the consent decree be rejected so that a free and open trial can be held. The city's intervention in this suit would express to the court the concern of the Nation's largest municipality in protecting the rights of its residents to be free from air pollution and stress the importance of this case to the attainment of that objective. This action would also give the City the opportunity, should the consent decree be accepted, to request that it be amended to allow evidence compiled by the Justice Department before bringing suit to be made available to the public and to speak out for the correction of other loopholes in the decree.

Los Angeles County has already intervened in the Justice Department suit. New York City, with a graver pouultion problem, has at least an equal responsibility to take similar action.

We also call upon the City of New York to initiate separate suit, or join in existing suits, in the automotive air pollution area to make clear that New York is not willing to allow the basic issues of this case to drop, even though the Justice Department is willing to.

In recent anti-trust action against Charles Pfeiffer & Co. and several other drug companies, a settlement of $120 million dollars was made in favor of municipalities, the Federal Government and private individuals.

The people of the City of New York are entitled to breathe air that is free from harmful pollutants, particularly those emitted from automobile engines, and we feel that the City has the opportunity to strike a blow for this freedom by taking immediate action.

Leonard Farbstein, Joseph P. Addabbo, Mario Biaggi, Jonathan B. Bingham, Frank J. Brasco, Shirley Chisholm, James J. Delaney, Jacob H. Gilbert, Seymour Halpern, Edward I. Koch, John M. Murphy, Bertram L. Podell, Adam Clayton Powell, Benjamin S. Rosenthal, William F. Ryan, James H. Scheuer, Members of Congress.

SEPTEMBER 19, 1969.

Hon. JOHN MITCHELL,
Attorney General,
Department of Justice,
Washington, D.C.

DEAR MR. ATTORNEY GENERAL: I am writing to urge the Department of Justice to withdraw immediately its consent to the Stipulated Entry of Consent Judgment in the action brought in the Central District of California (Civil Action No. 69–75–JWC) by the United States of America against the Automobile Manufacturing Association, Inc.; General Motors Corporation; Ford Motor Company; Chrysler Corporation; American Motors Corporation; in which a fifteen-year conspiracy to repress the development and deployment of anti-pollution devices was alleged.

I would also like to inform you that in the event the proposed Consent Judgment is not withdrawn, the City will have to consider taking legal action by intervening in the suit.

The City of New York, as you well know, has been making strenuous efforts in its fight against the causes and effects of atmospheric pollution. In fact, during the term of Mayor John V. Lindsay the budget devoted to the anti-air pollution problem has been increased by 300%. In addition, oil-burning facilities have been upgraded and an Alert Warning System and an Air Monitoring Network were created; and Con Edison has been ordered to use low sulphur fuel and to install pollution control devices. Yet, recently because of pollution from automobiles the problem has proved to be immense and the alleged conspiracy has undermined this City's efforts.

It has been estimated that at least 50% of air pollution results from internal combustion engines of motor vehicles and medical studies have linked this source of pollution to a range of diseases including cancer and emphysema. The total misery, disease, property damage, and expenses which the conspiracy may have caused our City during the past fifteen years can hardly be redeemed by the proposed Stipulation. One expert has stated that breathing New York City's air for one day is like smoking two packs of cigarettes.

The original charges brought by the Department allege a fifteen-year conspiracy not to compete in the development and deployment of new anti-air pollution devices, to suppress possible new advances in air pollution technology and to delay the introduction of devices actually developed. Your Administration has now elected to terminate this landmark action.

Your proposed decree does little to allay public suspicion that the original charges were valid—yet it does even less to insure that the companies will cease their joint offense against the public welfare, and it does absolutely nothing to insure that the public will be compensated by the conspirators. Not only is the Department denying individuals and municipalities the value of a prior conviction for their use in court actions to recover damages; in addition, the decree makes no provision for the release of evidence gathered by Department officials, and it does not even forbid destruction of documents in the possession of automobile manufacturers which could constitute evidence of the conspiracy.

It is almost inconceivable to me that the Department of Justice sees fit to capitulate to industry pressures in a case of such magnitude. I can assure you that the City of New York will not acquiesce if you persist in your decision. If you do not protect the eight million people of New York City, we shall not fail to do so.

Respectfully yours,

BESS MYERSON GRANT.

THE CITY OF NEW YORK,
OFFICE OF THE MAYOR,
New York, N.Y., October 3, 1969.

Hon. LEONARD FARBSTEIN,
House of Representatives,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN FARBSTEIN: This is in response to your letter of September 17, 1969, with respect to antitrust litigation attacking the conspiracy by automotive manufacturers to restrict development of pollution controls.

Your suggestion that the City of New York intervene in the pending suit by the Federal Government is well founded. The City's Corporation Counsel, J. Lee Rankin, and Commissioner of Air Resources, Austin N. Heller, were following this litigation closely, even before the Justice Department announced on September 11, 1969 that it had negotiated and filed a proposed consent decree. Study of the proposed terms convinced Mr. Rankin that the decree, at least in its present form and on the basis of the limited information revealed by the Department, does not adequately serve the public interest. Accordingly he decided (1) to intervene in the Government suit, for the purpose of objecting to the decree, and (2) unless further study should reveal some legal obstacle, to file an independent treble-damage suit against the defendants.

Today the City filed its motion for leave to intervene and a supporting memorandum with Federal District Judge Jesse W. Curtis in Los Angeles. In its moving papers, the City asks the Court to require the Government to produce a detailed statement and analysis of the evidence it has gathered and to demonstrate, if it can, that the proposed decree is indeed in the public interest. Alternatively, it asks the Court to require renegotiation of the decree to include admissions which will assist state and local governments in any treble-damage actions they may bring. The City is also asking the Court to order the Department of Justice to retain custody and control of all of the documentary evidence assembled for the grand jury which first considered the conspiracy and to make copies available to all state and local governments which file treble-damage actions.

This automotive pollution case illustrates some major weaknesses of the antitrust laws and the need for assistance from you and your colleagues in Congress. Because of your interest, I will outline below the gist of recent experience by this and other state and local governments.

New York City has been vigorously prosecuting treble-damage antitrust actions during my administration. The City's Corporation Counsel has successfully concluded seven such suits since early in 1966. These provide for refunds totaling more than $9,000,000 from companies which have conspired to overcharge the City and public authorities operating here. Seven other cases are in various stages of pretrial discovery

and settlement discussions, and several more are in preparation. As far as we know, the special antitrust unit which we set up in the City's Law Department in 1967 is the only such unit in any municipality.

The Supreme Court has on numerous occasions stressed the importance of treble-damage litigation in carrying out the Congressional policy underlying the antitrust laws. To that end, it has said, "Congress meant to assist private litigants in utilizing any benefits they might cull from government antitrust actions." (*Emich Motors Corp* v. *General Motors Corp.*) The theory is that the most meaningful deterrent to monopolitsic practices is a threat to the offender's pocketbook.

Unfortunately, other considerations have led the Government to subordinate this purpose and to accept consent decrees which deny injured persons, including state and local governments, important benefits potentially available from Goverment cases. Such consent decrees, like the proposed automatic decree, typically omit any admission of wrongdoing. Under the Clayton Act, as now worded, state and local governments can then recover damages only by building their own cases *de novo*. Moreover, the Government does not make available the evidence it has gathered by interviews, FBI investigation, grand jury subpoenas, civil investigative demands and expert analysis. State and local governments are therefore forced to rely on laborious and time-consuming discovery procedures.

The admissions the City is seeking to have incorporated in the automotive decree as alternative relief are patterned on provisions the Department of Justice did insist on for a short period of time in the early 1960's. This type of provision is popularly known as the "asphalt clause." See *United States* v. *Lake Asphalt & Petroleum Co. of Mass., United States* v. *Bituminous Concrete Assn.,* and *United States* v. *Allied Chemical Corp.* The effect of the asphalt clause would be to give treble-damage plaintiffs a *prima facie* case on the key issue of whether there had been a violation of the antitrust laws.

Decisions in the more recent *children's books* and *maple flooring* cases are precedents for the impounding and copying of documents obtained in the course of a Government investigation. In *children's books,* a consent decree much like the automotive decree was proposed in the Northern District of Illinois in 1967. New York City and others sought unsuccessfully to intervene and to secure an asphalt clause. On appeal, the Supreme Court upheld a denial of intevention and therefore did not reach issues relating to the proper relief. However, in the trial court and by subsequent motions in separate trebel-damage actions, the City and its associated plaintiffs did ultimately succeed in obtaining documents which had been presented to the grand jury. But a great deal of time, effort and persistence was required. In *maple flooring,* the City was unsuccessful in opposing the acceptance of *nolo contendere* pleas, which have the same legal effect in criminal cases as consent decrees do in Government civil cases, but was allowed to inspect and copy all grand jury documents.

You may wish to consider several legislative remedies which have been suggested from time to time.

Senate No. 2157, now pending, would make *nolo contendere* pleas in criminal cases *prima facie* evidence in private treble-damage suits. The Antitrust Division went on record last year as favoring such an amendment.

In the 85th Congress, the House Antitrust Subcommittee conducted an intensive investigation into the antitrust consent decree program of the Department of Justice and reported:

"During the waiting period, private parties, who may be affected by the terms of the decree, *should be given an opportunity to intervene in the Government's case* in order to present their objections to the court for its consideration." (Italic added). As indicated by the *children's books* case, an injured state or local government presently faces serious difficulties in attempting to intervene in a Government case. That means, of course, that if the District Court does not heed its requests for modification or rejection of a consent decree, no further redress is open.

Another very useful legislative step would be clarification or confirmation of a state or local government's right to have prompt access (without the necessity of an adversary proceeding) to documentary and other evidence assembled by the Department of Justice—once the federal government's case is concluded. Protracted discovery and the opportunity for dilatory maneuvers by defendants in treble-damage actions would thereby be appreciably curtailed.

Mr. Rankin and I will be happy to place at your disposal any additional background material which may be requested in pursuing our joint interest in effective antitrust enforcement.

I am sending copies of this letter to your colleagues whose names appeared in your letter under your signature.

Sincerely,

JOHN V. LINDSAY,
Mayor.

WHAT TO DO WHEN THE CHEST PAINS START

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, the administration has struck again at major health research across the Nation, forcing closing of a major study program of the National Heart Institute, which for the past 20 years has developed significant new data on blood pressure, smoking, obesity, and cholesterol as risk factors in heart disease.

Located in Framingham, Mass., this internationally known center has been collecting data since 1949 on 5,000 men and women of that area in their 30's, 40's and 50's. It is a unique study, allowing doctors to determine what the odds are for certain patients to suffer such attacks. Under the menace of the budget cuts, $400,000 in all, the entire study is due to be phased out by June 1970. Future thorough data will be unobtainable as has been the case in the past. Twenty staff people will be let go, and the chances of Americans avoiding such heart seizures will be appreciably diminished; 200,000 died last year, and this is the major cause of death in the Nation. Such are the new directions President Nixon is taking. Yet this is but the tip of the iceberg.

Across the land, cutbacks in training programs and research are menacing the futures of thousands of young graduate students. Not even the most famous institutions are being spared. News of the most melancholy sort is widespread. Johns Hopkins Medical School has been forced to discharge technicians and support personnel. Albert Einstein Medical College has been forced to ask staff doctors to work for nothing. The University of California Medical Center in San Francisco must obtain loans for entering dental students from student union funds. No other source of money is available.

These many small setbacks are exerting a cumulative effect. Future collapses on our overall research effort are guaranteed. Budget cuts at the expense of the National Institutes of Health are mainly at fault. NIH is the source of major support for almost every medical school and major biological research institution in the Nation. The Federal Government provides about 65 percent of all health research moneys, most from the Institutes. About 48 percent of all medical school faculty members have some of their salary paid through Government funds; 16 percent receive all their salary from them; 11 percent receive half their salaries from this source.

The Federal budget for the current fiscal year will have less money than the preceding year for medical research and medical training. Many research grants formerly assured of approval will go without Federal support. NIH awarded no new research grants in September, an unheard-of step. Major research people continue to work while their staffs melt away, the effectiveness of their research diminishes, and their impact on student education lessens. Momentum is lost and the full penalty will be paid years from now. We shall all pay it.

Research teams are disbanded. Research facilities are closed. Important programs cease. Morale plummets. Such effects are felt all through the structure of a medical school. Grants and fellowships are being curtailed, drying up future medical teacher supplies. Who will teach the vastly increased numbers of doctors President Nixon has called for? Our health care system is collapsing, adding to social turmoil, and now the administration, acting with malice, directs the Bureau of the Budget to eviscerate the foundations of our entire medical research program. Where is the voice of the AMA. Speak, O great champions of medicine.

But there is money for Vietnam, is there not, Mr. President? And there is plenty of cash for the SST, is there not, Mr. President? And oodles of folding money for massive new defense expenditures, is there not, Mr. President?

But where does it come from, Mr. President? Why, from education, libraries, hospitals, model cities, VISTA, Job Corps, clean water funds, national park acquisition moneys, civil rights enforcement funds, conservation, consumer programs, and other such nonessential enterprises. These are new directions, all right. Back, back, back to the darkness of yesterday. Snuff out all the lights. Shut all the doors. Destroy all the records. Fire all the trained staff personnel. Demoralize the entire structure of 20 years. Why? Because we must fight wars—build weapons—nominate Judge Haynsworth—build a new majority composed of the forgotten Americans. Or do not they have heart attacks? Perhaps the President would care to publish a new pamphlet entitled, "What To Do When the Chest Pains Start."

NIXON PROSPERITY—UNEMPLOYMENT HITS 4.0 PERCENT

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, the economic news this morning is very bad. At the end of August 1969, 2.9 million Americans were unemployed. This was a 3.5-percent unemployment rate. The statistics of unemployment released this morning reveal that in September 3,232,000 Americans were unemployed. This is a 4.0-percent rate of unemployment. That means 332,000 American citizens lost their jobs in just 30 days, and the worst is yet to come.

This is a direct result of the disastrous and callous destruction of our once-prosperous economy by the Nixon administration. This is their economic policy, and every American who lost a job can blame it on the White House and its benighted economic policies which destroy consumer prosperity at the expense of the rich.

Mr. Speaker, we are already in a recession. The only question to be resolved now, is how bad it will be. Mr. Nixon does nothing to lower interest rates or halt price hikes. The economy is collapsing around his ears, and he does nothing while workers lose their jobs. All the evasion in the world cannot excuse away or make disappear lengthening unemployment lines in our country. They are the political death knell of the Republican Party's newfound political power. We shall remind every person in this country of who has done what to them.

LABOR GROUP SPEAKS OUT AGAINST HIGH INTEREST RATES

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, the demand for action on interest rates continues to grow across the Nation.

In an editorial in the International Potter for September, Mr. L. H. Null, Sr., spells out the workingman's concern over high interest rates. Mr. Null, who is president of the International Brotherhood of Operative Potters of the United States and Canada states:

> The young person who finishes his formal schooling and embarks on his life work of making a living, buying a home and providing the necessities of life for his family is today facing seemingly insurmountable obstacles. One of the tallest hurdles he must clear are the almost ridiculous interest rates charged by banks for loans to provide housing for his family and for consumer credit.

Mr. Speaker, I place this editorial in the RECORD.

BANKING REFORMS ARE NEEDED!

(By L. H. Null, Sr.)

The young person who finishes his formal schooling and embarks on his life work of making a living, buying a home and providing the necessities of life for his family is today facing seemingly insurmountable obstacles. One of the tallest hurdles he must clear are the almost ridiculous interest rates charged by banks for loans to provide housing for his family and for consumer credit.

The AFL–CIO and many other organizations interested in the welfare of people have protested these boosts in the price of loans. Since last November, U.S. banks have boosted their interest rates 40 percent. And they have not boosted dividends paid on deposits accordingly.

Congressman Wright Patman is chairman of the House Banking and Currency Committee. Recently he made a speech in which he stated: "The United States has the worst bank regulation and the most outlandish monetary policy of any nation in the free world . . . bar none."

Rep. Patman went on to tell his audience that the people of the United States don't know what is happening to their money supply. It is the exclusive monopoly property of the big bankers. He warned that "This neo-Nazi style economy . . . should it become a reality . . . would destroy this nation."

Look at a dollar bill. Across the top it says "Federal Reserve Note" and in small letters it states: "This note is legal tender for all debts, public and private." In a small circle on the left is imprinted the name of the Federal Reserve Bank which issued it. It is issued only after someone, somewhere, has taken a contract with a member bank to repay a loan. There is no gold nor silver to back it up . . . only the record, somewhere, of a debt owed to a member bank of the Federal Reserve System. In other words, our money is based on debt.

The Federal Reserve System, our central banking authority, was established by Congress in 1913. Congress delegated the issuance and control of the nation's currency to the Federal Reserve System; operated and rigidly controlled by the member banks . . . all privately-owned corporations.

The FRS is, theoretically, responsible to the Congress. But it takes the proverbial "Act of Congress" to achieve any control. And Rep. Patman said, "The banking lobby is the single most potent lobby that operates year-around in Washington, D.C."

The bankers who issue our money are a monopoly, but are not subject to monopoly controls. Everyone agrees the price of money (interest rate) is too high. Yet when Cong. Patman asked Secretary of the Treasury David Kennedy (a banker) if he had done anything to stop the increases in interest rates, Kennedy replied: "Why should I?"

Perhaps Congress should act to restore to the United States government the power to issue money (and control interest rates) which it gave away to the bankers in 1913 when it chartered the Federal Reserve System. The banking fraternity has spurned the social needs of the nation for easily-available money for the wage earner, for social needs such as schools and hospitals, and for the small businessman who constitutes the fiscal backbone of the nation. The bankers have seized and rigidly controlled the nation's financial bloodstream, fattened on high interest rates and branched out into non-related businesses through bank conglomerates.

With leadership from such a distinguished and informed legislator as Congressman Patman, the invincible political strength of the common people will, if aroused, force badly-needed reforms on our monetary policies.

You can bank on it!

THE BANKING LOBBY

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, last week, the Banking and Currency Committee, in an executive session, voted 19 to 13 to effectively block an investigation of the Nation's banking lobby.

Mr. Speaker, I deeply regret this action and I am convinced that the members of the committee who voted in this manner made a serious mistake which must be corrected at some future date.

The Washintgon Post of Thursday, September 25, carried a news story by Jan Nugent outlining the committee action. So that the Members of the House may be properly informed, I place this article in the RECORD:

LOBBY PROBE QUASHED

(By Jan Nugent)

The House Banking Committee voted yesterday to quash an investigation of the bank lobby previously announced by its Chairman, Rep. Wright Patman (D-Tex.).

In this latest revolt against its leader, the panel contended it was not the proper forum for the probe, and suggested Patman take the matter up with the Rules Committee.

Patman promptly labeled the committee's action "a back-door means of killing the investigation . . . a complete dodge."

He said later he was "considering his next step," but vowed "not to give up on this."

HALPERN'S SUPPORT

Seven Democrats and 12 Republicans opposed Patman. The lone Republican vote favoring the Chairman was Rep. Seymour Halpern (R-N.Y.), whose financial indebtedness to several banks has been widely reported.

Before the vote, Patman ticked off his charges against the bank lobby. He claimed its members have filed incomplete lobbying reports and solicited bank funds for political candidates.

Patman said he received correspondence indicating banks have raised political-lobbying funds through payroll deductions and apparent coercion of their employees.

Five lobbyists registered for the American Bankers Association listed only $190 in expenditures for the first six months of 1969 "during a period of extremely heavy run of banking legislation," Patman reported. "Surely we are not expected to take this figure at face value," he said.

PATMAN "VENDETTA"

The committee's minority members contend the chairman is conducting a "vendetta" against banks and is incapable of conducting any fair-minded probe of the issue.

The chairman and his supporters argue that full disclosure of the banking lobby's operations would serve a necesssary legislative function and improve the committee's public image.

However, Patman also stood firm yesterday in his resolve not to turn the hot glare of publicity on interests held by about one-third of the committee members in various financial institutions.

He conceded he had been charged with "myopia" and "ducking the issue" in this regard, but refused to "become embroiled in a controversy about members' private financial holdings." This would be a matter of the House Ethics Committee, he indicated.

Mr. Speaker, I called for this investigation in August after much public concern about the banking lobby had been expressed in the Nation's press. Many newspapers around the country have published editorials in recent months expressing varying degrees of concern about the activities of the banks and their well-heeled lobbying apparatus. Mr. Speaker, I am firmly convinced that the Congress should respond to this public demand for an investigation and it is

obvious that there is ample need and precedent for such inquiry.

Mr. Speaker, I outlined some of the reasons for calling the investigation in a statement to the Banking and Currency Committee last week. I place a copy of this statement in the RECORD:

STATEMENT OF WRIGHT PATMAN,
SEPTEMBER 24, 1969

Twenty-five of you have called for this meeting and I want to give you every opportunity to present your case here this morning.

First, let me state that the investigation of the banking lobby has been called within the Rules of the Committee and has been referred to the Domestic Finance Subcommittee under these rules. It is clearly within the jurisdiction of the Committee.

Secondly, the investigation is not an unusual undertaking for a Committee of Congress. Numerous Committees of both the House and Senate have conducted various lobbying investigations. I have attached to my statement a partial list of some of these investigations.

Most of these investigations have been highly beneficial and many of them have led to major reforms of lasting value to the American public. They have been conducted on the premise that the public and the Congress can only benefit from a full and open disclosure of lobbying activities which involve the public's business.

Since receipt of your letter of August 12, I have studied and restudied the issues involved here. I have been unable to discover any manner in which the public interest—and the best interests of the Congress—could be harmed by a study and a public disclosure of the banking lobby. I cannot believe that any Member seriously questions the public's right—and the Congress' right—to this information.

The public disclosure of what constitutes the banking lobby and its activities is particularly pertinent and, in my opinion, long overdue. The banking industry today represents about $700 billion in assets which is multiplied by its vast powers to control the nation's credit. Regardless of one's feelings about this industry, its potential to influence public opinion and public decisions is obvious.

In Washington this industry is represented by one of Capitol Hill's fastest growing lobbying apparatus. In fact, a quick rundown of the filings at the Clerk's office reveals that this lobby has increased four to five times in the past three years. Today, not only are lobbyists registered for the American Bankers Association, but for many of the nation's largest banks and for an endless variety of special banking Committees.

The official filings are misleading since the Washington offices spread their opinions out across the country through a complex network of so-called "contact" bankers. These opinions are then fed back to the Congress and the national media as "grass roots" reaction—reaction that began on the mimeograph presses in the Washington ABA office.

No one—I am sure—questions that the banking lobby is a big-time lobby. A banking publication a few months ago wrote that the Washington ABA office had been "transformed from a mini-lobby into a well-staffed, well-heeled, activist political apparatus." The article said that the ABA had been brought from "the bottom of the league right up there to title contention." And an ABA staff member was quoted as saying:

"In the old days, I don't remember seeing in the newspapers that anyone feared the American Bankers Association lobby. Now this seems to be injected into almost every debate on the Hill."

Completely aside from the obvious facts of its size and power, the banking lobby raises many basic questions in its day to day operations.

A few years ago, I discovered that the ABA had not even bothered to file reports for some of its key lobbyists with the Clerk of the House of Representatives. The reports that are filed seem designed to be as misleading as possible and reveal only the most limited information.

For the first six months of this year, the five lobbyists registered for the American Bankers Association listed only $190 in expenditures. And this during a period of an extremely heavy run of banking legislation in the Congress. Surely we are not expected to take this $190 figure at face value.

These are some of the areas that the Subcommittee should look into during its investigation. How much money does the ABA raise? How much is spent on legislative matters? How is it reported?

These are basic questions which the Congress has a right to explore.

What is the relationship between the ABA lobbyists and the lobbyists for the big banks and the various ad hoc committees that spring up on banking legislation? Are these shadow committees, that come and go, designed to fool the Congress and make it more difficult to follow the lobbying activities and to hide expenditures of funds?

These, too, are legitimate questions for an inquiry.

Who are these so-called "contact" bankers used by the ABA? I have been furnished copies of communications to these "contact" bankers but I think this Committee should be curious as to how these "contacts" are chosen and used in the various Congressional Districts. Who finances the "contact" banker operations and are these activities properly reported under the Federal lobbying acts?

This elaborate lobbying system is undoubtedly making use of the special private files that are being gathered on Members of the Congress. Through a banker—who personally disapproves of the methods—I have been furnished a copy of one of the questionnaires distributed by a banking organization and designed to gather the most intimate details of a Congressman's private life.

The questionnaire seeks information on the Congressman's drinking habits. It inquires as to whether he is a "customer" of a "bank" and about other possible relationships with financial institutions. It asks questions about his family.

Why would a lobbying organization need this information on a Member of Congress? To what legitimate use could such information be put?

I regard this questionnaire as highly improper, unethical and a gross violation of the privacy of Members of Congress. Our investigation should discover how widely these questionnaires have been used and how they have been used.

This Committee should also be concerned about what appears to be a growing pattern of political lobbying slush funds being raised by banks across the country. I have received copies of inter-office bank memorandums and other correspondence which indicates these funds are being raised through payroll deductions based on a certain percentage of the bank employee's salary.

In one case a bank employee wrote me:

"To many of us, we feel that such coercion contradicts our rights. Why can't we contribute to the candidates we feel best express our desires. Please give this some thought. Anything you can do to discourage such out and out blackmail will be greatly appreciated."

The purpose of these funds is obvious from the correspondence that I have been furnished. For example, a bank in California states:

"The value of these contributions has been demonstrated very specifically to us in connection with recent unsound and unfavorable legislation which has been successfully defeated."

An office memorandum from a bank in Ohio lays it on the line in this manner:

"If you have been making political contributions directly to others, it will be greatly appreciated if you will hereafter do it through the bank so that the bank will get credit for it on the goals assigned to us."

I also have copies of correspondence from the Bankers Association of a midwestern state soliciting bank contributions for political candidates. Political contributions, of course, are a fact of life. But the question here is whether corporate funds—in possible violation of Federal law—are being used for these purposes. In some cases, these funds appear to be purely political; and in other cases a combination of political and lobbying. The Committee should determine what these funds are and assure itself that they are being collected and distributed within the law.

There are many other areas. I have just mentioned these to indicate some of the scope of such an investigation.

There is also the question of the ABA's manipulation of public opinion to affect legislative decisions. There is evidence that the bank lobbyists have hired organizations to send out "canned editorials" favorable to the banks. These editorials then apparently find their way back to Washington as an evidence of public opinion for or against certain measures. In addition the bankers spent about $350 million annually on advertising and this Committee should be interested to learn what portion of this fund is used to mold opinion on legislation.

There is also the question of the banks' pressure on customers to "lobby" in their behalf and of pressure on other organizations to gain public support for the banks' position. Many Members of this Committee recall the bank lawyers attempt to distort the position of the American Bar Association on bank antitrust matters a few years ago. In other words, I think it is essential that this Committee determine just how "free and independent" the testimony of various organizations might be when they appear before this Committee on banking matters.

Obviously, today's meeting is not the forum to go into all of these issues in detail. The investigation and the evaluation of this material should be carried out under normal investigative procedures by the Domestic Finance Subcommittee. By this time, I had hoped that the staff would have gathered preliminary data and determined what witnesses might be available for the inquiry. The letter of August 12, of course, brought this to a halt and has placed the investigation many weeks behind schedule.

Some Members have expressed disagreement with the decision to refer this to the Domestic Finance Subcommittee. It was referred to the Subcommittee to facilitate the investigation since it is difficult to carry on an inquiry of this nature before a full Committee composed of thirty-five Members. An investigation by the full Committee would be highly time-consuming.

Some Members have expressed displeasure with the fact that I discussed the investigation in an appearance before the National Press Club on July 31. By that time, of course, the national press had already carried stories about the possibility of an investigation and my statements at the Press Club did not come as a surprise to anyone. But I regret it if anyone was offended by the Press Club appearance.

All of you are aware of the August 6 memorandum, my statement in the Congressional Record, and my various letters to you concerning this investigation. I see no need to review these this morning.

The issue before us is clear. I feel that there

is ample cause for an investigation of the banking lobby and I urge that this inquiry proceed without delay and that it not be hindered in any manner. The investigation is clearly in the public interest.

Several Members of the Committee have questioned whether there is any public demand for such an investigation. While I do not feel that the Congress should wait until the public is clamoring at the door, it is obvious that there is indeed great public demand for such an investigation. Numerous editorials from newspapers of all political persuasions have been printed in support of such an investigation. In addition, I have received a number of letters urging such an investigation. One of these letters comes from a former U.S. Senator and Governor, Frank Lausche of Ohio. Mr. Lausche raises some very serious questions and urges in very strong terms that this investigation go forward.

Also, some Members of the Committee have indicated that Wright Patman has created the innuendoes and the charges that have appeared in public print. This is simply untrue. Unfortunately, I have been attacked and embarrassed by some of these editorials charging inaction on my part. These attacks were made on me by various newspapers after it was revealed that some Members of the Committee had stock in various financial institutions.

The Chicago Tribune of May 28 said I had a "severe case of myopia" and that I was "ducking the issue." There were other similar editorial comments. Despite this, I have refused to become embroiled in a controversy about the Members' private financial holdings.

There have been other press reports concerning this Committee and the banks. Many of these reports, as you know, occurred before my speech to the National Press Club on July 31. The simple fact is that the Committee has received an extremely bad press. And this fact will not go away by charging that the Chairman has created it by calling for a bank lobbying investigation.

In as strong terms as possible, I want to emphasize that the investigation is not of Members of Congress. The Committee does not have jurisdiction over the conduct of Members and such matters obviously would reside with the House Ethics Committee.

This is an investigation of the banking lobby. Full disclosure of what this lobby is—how it is financed—how it spends—how it operates—would be highly beneficial to this Committee, the Congress, and the American public. A vigorous and full investigation of this nature will do much to improve the public image of the Committee as well as providing a necessary legislative function.

If any Member knows of any reason why such disclosure would not serve the public interest, I hope that he will state these reasons here this morning.

But at the end of all this talk, we will be required to make a decision. Any of the 18 Members of this Committee can say that the banking lobby is immune from public inspection and that is the end of the investigation insofar as this Committee is concerned. The decision is up to you.

HUD'S NEW COMMITMENT TO RURAL AMERICA

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, the Department of Housing and Urban Development reports it is about to embark on a large-scale effort to help meet what it has come to describe as the "massive" housing problems of rural America.

Projects in this overall effort include: Inducing private mortgage lenders to extend their activities to small communities; encourage metropolitan banks to develop loan correspondency relations with small town lending institutions; conduct extensive education programs with State officials concerning available HUD programs; and help organize local public housing programs.

Mr. Speaker, these and other proposals are contained in a report issued by a task force formed by the Secretaries of Housing and Urban Development and Agriculture to conduct a joint examination of rural housing problems. Their study follows an examination of rural housing conditions and needs made over the past several months by my office during which I pointed out that on a proportionate basis the housing problems of rural America are more severe than those of urban centers because two-thirds of the Nation's substandard housing is located in rural areas which have only one-third of the Nation's population. Coupled with this is the fact that nearly half the poverty stricken in the Nation live in rural America.

Of necessity, the task force effort was abbreviated in order to produce recommendations for 1969 housing legislation, hearings for which were about to begin. As a consequence, the States of North Carolina and Georgia were chosen for study on the grounds that conditions there were likely to typify those in the rural areas of most other States.

Mr. Speaker, what follows are letters written by me to the Secretaries of Housing and Urban Development and Agriculture in response to the task force report, the report itself and my remarks on this subject made on the floor during August.

OCTOBER 2, 1969.

Hon. CLIFFORD M. HARDIN,
Secretary, Department of Agriculture, Washington, D.C.

DEAR SECRETARY HARDIN: This is in reply to the findings and recommendations stemming from the joint HUD–USDA Task Force study of rural housing problems, using North Carolina and Georgia as states that more or less typify conditions throughout rural America.

The report is gratifying because it reflects an awareness on the part of HUD that rural housing problems are, in the words of the report, "massive", and because it sets forth a series of positive recommendations that go to the heart of the matter.

As you undoubtedly know, all but a few of the legislative recommendations made by both HUD and USDA are part of pending housing bills. I expect that most of the expanded authority your departments sought to improve your ability to serve rural America will be enacted into law before November 1.

But, with or without the legislation, it seems to me that the overriding challenge confronting HUD in terms of meeting its responsibility to rural America is and has been on the administrative level. Most of HUD's recommendations reflect recognition of this. I sincerely hope there is no hesitation in implementing all the suggestions in this category as quickly as possible, certainly no later than the end of the year. By the same token, it is my expectation that a significant part of HUD's report next year on the nation's housing needs and what is being done about them will center on the initial result of the recommendations.

There are two points that I wish to make before closing this letter—

Some critics of HUD maintain that rural America has always been pigeonholed in a second-class position in the Department's scale of priorities. The proposal to give the Office of Small Town Services increased capacity to coordinate efforts to improve delivery of housing and community development programs to rural areas, while at the same time keeping the operation under the Office of Metropolitan Development, hardly dispels this impression. I would think that executing the long and very good list of recommendations developed by HUD would, of necessity, require that the Office of Small Town Services be raised to division level in the Department and given the budget and staff it must have if the nation is to overcome our "massive" rural housing problems.

The second point deals with the implication in the Task Force report that, although I proposed creation of a Rural Housing Administration within HUD, I later agreed that such a step was not justifiable. I made no such agreement. I did agree to delay action to establish such an office in HUD while alternative proposals were developed as they were by the Task Force. As I said, I think the recommendations are very good. I congratulate both of you and the members of your departments that worked on the project. I look forward to enumeration of significant achievements in rural housing when HUD makes its annual report to the President and Congress early next year.

Sincerely,

WRIGHT PATMAN,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON BANKING AND CURRENCY,
Washington, D.C., July 1, 1969.

Hon. GEORGE W. ROMNEY,
Secretary, Department of Housing and Urban Development, Washington, D.C.

DEAR MR. SECRETARY: Rural America—30 percent of the nation's population and 90 percent of its landmass—is in a vacuum as far as the housing needs of low and moderate income families are concerned. Sixteen percent of all occupied units in the nation are substandard, but 25 percent of all units in rural America fall into this category.

Non-metropolitan areas of the country, with 37 percent of the population, have received less than 20 percent of the home mortgages insured by the Federal Housing Administration. Only 15 percent of Housing and Urban Development units for the elderly have gone to rural America where 43 percent of all the nation's elderly live. Less than 10 percent of HUD's low income public housing rental units have been built or are under construction in rural areas. Thirty percent of all rural families are without bathrooms and less than half of all rural homes have central heating.

These conditions not only exist, they are worsening, despite the promises made in the 1949 Housing Act and an extensive and continuously growing library of housing legislation.

Mr. Secretary, I know that you are aware of some of these conditions in rural America, and that you will become aware of more of them as the months go on. In pointing them out, I do not mean to be critical of your administration. On the contrary, I think that you have clearly demonstrated in your decisions to launch a crash program to rebuild riot damaged ghettos and to develop mass production techniques to provide housing for low and moderate income families that you want to move the programs of your Department forward as rapidly as possible in the areas of greatest need as you see them.

My purpose in writing this letter to you is to point out the essence of what I view as a housing tragedy for the people of rural America and to propose what I think is a real solution to this problem.

As you know, efforts to meet the desperate housing needs of rural America are being made by the Farmers Home Administration of the Department of Agriculture. Farmers Home staff members, while saying that theirs

is the only agency providing housing of any consequence for low and moderate income families, at the same time admit that these accomplishments not only fall far short of meeting the need, but if continued at the present level, will not even check the problem, let alone eliminate it. As an example, throughout the entire history of Farmers Home Administration, it has been able to provide only 22,000 units of low income housing in communities of 10,000 population or less, outside of Standard Metropolitan Statistical Areas. The dimensions of the problem become apparent when this figure is compared with the nearly 5 million substandard housing units in rural America today—nearly two-thirds of the nation's total—despite the fact that rural America has only 30 percent of the nation's population. Even if Farmers Home is successful in tripling the volume of its insured home loan program, as is proposed in its 1970 budget, it will still only scratch the surface.

None of these things are said in criticism of Farmers Home, which I think has done a remarkable job despite extreme limitations, but these limitations nevertheless make it impossible to expect this agency to meet the urgent housing needs of low and moderate income families in rural America. Chief among the restrictions imposed on Farmers Home is that it has been characteristically viewed by Agriculture Department policy makers as a minor section of an otherwise farm industry oriented program. From its very beginning, of course, this is what it was designed to be. However, only 30 percent of all rural families now have direct farm connected incomes and so the Department, over the years, is affecting the lives of fewer and fewer people in rural America and this is especially true in the field of housing.

Mr. Secretary, it hardly needs to be said that HUD is after all the national Government's housing department, responsible for providing housing assistance for low and moderate income families, not only in urban but in rural America as well. It is well on its way to becoming one of the largest and, I hope, one of the most effective in Government.

Therefore, I intend to propose, during the coming hearings on the extension of the Federal Housing Administration program, scheduled for the week of July 14, that the Housing Act of 1968 be amended to provide for the establishment of a Rural Housing Administration, which would be administered by an Assistant Secretary, within the Department of Housing and Urban Development. In my view, this is the best approach that can be taken to meet the housing needs of rural areas as quickly and effectively as possible. I know that you will agree that HUD has the staff, the expertise, the funds and the avenues of credit that can form a solid base for the operation of such an administration.

At the same time, I think that it should be clearly understood that the Rural Housing Administration is to be responsible for all HUD programs in rural America. This will require a new definition of what is rural and what is urban because the present boundaries of areas having a population of 2,500, used by the Census Bureau, or of 5,500, the standard employed by Farmers Home, fail to describe the real boundaries of rural areas. Communities of 25,000 or less outside of Standard Metropolitan Statistical areas would, in my view, be much closer to an accurate definition of rural America.

I sincerely hope you will join me in viewing this proposal as a way of placing the programs of the Department of Housing and Urban Development in proper balance. I sincerely hope you will join me in viewing this as a way of injecting a dynamic new element into HUD and broadening your mandate to meet the housing needs of the nation's people.

I look forward to discussing this subject with you at the upcoming hearings on housing, if not sooner.

Sincerely,

WRIGHT PATMAN,
Chairman.

TASK FORCE REPORT

INTRODUCTION

Congressman Wright Patman (D-Tex) has vividly portrayed the conditions existing in non-metropolitan areas of this country both in correspondence to Secretary Romney and to the House of Representatives. (Attachments A and B)

In both instances Congressman Patman, Chairman of the House Banking and Currency Committee, called for the creation of a Rural Housing Administration within HUD to focus on the housing and development problems in non-metropolitan communities with populations ranging from 5,500 to 25,000. Several meetings were held involving Congressman Patman, Senator John Sparkman (D-Ala) Chairman of the Senate Banking and Currency Committee, members of their staffs, and officials of HUD and USDA. It was agreed that creation of a Rural Housing Administration within HUD's organizational framework was not justifiable because of its functional structure, but that the conditions of concern could be approached by a redirection and possible refinement of agency resources.

An Interagency Task Force was established to ascertain areas of greatest need and difficulties in meeting needs, and to suggest alternate HUD, USDA and joint HUD-USDA actions to focus on the situation.

DIMENSIONS OF PROBLEM

In the time frame allotted, the Task Force could not identify housing problems based on a national sample. It thus focused on North Carolina and in some instances Georgia, as being reflective.

The data (Attachments C, D, E, F) show that the Farmers Home Administration serves a substantially larger number of families in rural America than the HUD and Veterans Administration housing programs combined. On the other hand, due to legislative restrictions which prevent FMHA from operating in places of more than 5,500 population, the HUD and VA programs are concentrated in the larger non-metropolitan communities of up to 25,000.

Selected population and housing data used was for 1960. Undoubtedly many changes have occurred since then in the population, number of households—especially substandard units, incomes, etc. The data do not lend themselves to a quantitative analysis of housing needs or subsidy requirements, other than to indicate that housing needs of rural America are massive.

Other data gathered deals with the mortgagee situation in rural areas which reflects on the use of FHA mortgage insurance programs. From this data the Task Force has identified eight basic problems involved in meeting housing needs of families in the open country and cities up to 25,000 population.

1. *Delivery of Housing Credit*—The inadequate flow of housing credit to non-metropolitan areas and the terms by which such credit is available have been major reasons why families living on farms and in small rural towns and villages have not been able to improve their housing. (a) Rural areas generally have access to few sources of long-term home mortgage financing. (b) The amount and terms of housing credit are less favorable in rural areas than in larger towns and cities and (c) Facilities in rural areas for tapping the credit sources of larger institutions in urban places are inadequate.

Private sources of credit in rural areas have been largely commercial banks, savings and loan associations, and individuals. All these represent local funds. Only relatively small amounts of outside capital have flowed to rural areas either directly or through mortgage companies, correspondent banks, or other sources. As a result of this situation, a housing credit gap of major proportions exists in rural areas.

2. *Development of New Housing Units*—Developers in and around urban areas have taker. the initiative in building new housing units. In rural areas, however, families who want new housing have been primarily the initiators of the action. A more effective system for delivering new homes to those who need them in smaller communities is a major problem area.

3. *Utilization and Rehabilitation of Existing Units*—In rural areas about three million existing substandard homes could be rehabilitated but existing sources of credit are primarily in newer homes. More attention should be given to the upgrading of existing housing.

4. *Availability of Building Sites*—Suitable residential building sites in small communities that have public water and sewer facilities are becoming scarce. Also, not enough attention has been given to the systematic development of good residential communities in non-metropolitan areas.

5. *Coordinated Area Planning*—Coordinated areawide planning has been fragmentary in non-metropolitan areas.

6. *Low Incomes of Many Rural Families*—Almost a third of the rural population have incomes of less than $3,000. Nearly half of these families live in homes that need to be repaired or replaced. How to provide adequate housing for these families is a difficult problem because few have the ability to pay for a home or to pay market rent. The problem is delivery of Federal housing programs to provide rental units for low-income families coincidental with the development of economic opportunities to provide a basis for supporting better communities.

7. *Information on Sources of Credit*—Communications between those in need of housing and those who can provide and finance it are inadequate in non-metropolitan areas.

8. *Special Problems of Communities of Minority Groups, Farmworkers, Indians, and Others in Rural Areas*—Public attention has been focused largely on the problems in large cities. Similar but less conspicuous housing problems associated with ethnic and occupational groups exist in small towns and in open country. Often the families involved are in the low-income group whose needs are far more extensive than adequate housing.

GENERAL COMMENT

Based on this data and problem identification, the Task Force is in agreement that there has been both a breakdown in the delivery system of certain HUD programs to smaller population areas and certain restrictions limiting the effectiveness of Farmers Home Administration programs.

A series of proposals to begin correcting these conditions have been developed and are submitted for implementation or for further study, when appropriate.

In submitting our proposals we feel the Congress should recognize we have done so in the absence of an overall urban land use policy. To scatter housing and community facilities in a helter skelter manner across the countryside in response to unplanned demand is not in the best interest of our Nation. Coordinated Federal, State and local considerations geared to provide not only attractive alternatives of where and how to live, but of directing the effective expenditure of scarce governmental resources, should be a factor along with our proposals.

ALTERNATE RESOURCES AVAILABLE TO HUD

Proposal to stimulate Federal Housing Administration lending in smaller towns

In non-metropolitan areas of over 5,500 and under 25,000 population the private

institutions exist or can be developed to assure a flow of FHA-insured mortgages for home purchase and construction. Many such areas are now served adequately by this type of lending. However, it is desirable to provide special incentive for private lending institutions to serve all of such areas adequately.

This can be done by giving GNMA authority to purchase FHA and VA guaranteed mortgages at par in those non-metropolitan areas (under 25,000) where the Secretary determines that the supply of private mortgage funds is inadequate (based on such standards as he may determine). GNMA could hold or resell mortgages to various financial institutions.

This incentive, combined with affirmative actions by HUD (e.g., Proposal to Educate Lending Institutions) to induce private mortgage lenders to extend their services and lending activities to smaller communities in concert with homebuilders, should go a long way to make mortgage lending for home purchase and home building uniformly available in towns of 25,000 and under.

Proposal to educate small supervised lending institutions regarding mortgage market programs

Lenders in many small communities seldom see an FHA representative. They are unaware of the recent red tape cutting and streamlining which has taken place in application processing. It is possible to conduct a concentrated education program with State and Federal financial groups (Independent Bankers Association, etc.) thus expanding FHA's capacity with small town financial institutions and encouraging large metropoltian banks to develop loan correspondency relationships with the smaller institutions.

Proposal to support farmers home lending program

The Farmers Home Administration has a very effective program for originating mortgage loans in small rural nonfarm places (5,500 population and under) where typically, private lending institutions are lacking to originate and service loans insured by the Federal Housing Administration or VA. Making use of a revolving fund the Farmers Home Administration, through its county representatives, works with borrowers and home producers to help meet the housing needs of the borrowers and, in the course of this dialogue, originates a mortgage loan using funds from its revolving fund.

After a number of such loans have been made, the Farmers Home Administration then sells to private mortgage lenders notes against the mortgages it holds. These notes are fully guaranteed by the Farmers Home Administration and there is full recourse. They are frequently short term notes. In periods of tight money, Farmers Home often has trouble reselling in the private mortgage market the notes it has issued against mortgages. This limits the total volume of mortgage financing Farmers Home can provide to rural nonfarm families in small places.

To support and sustain the maximum use of Farmers Home lending authorities, the Federal National Mortgage Association could consider the purchase of Farmers Home mortgages on a regular basis ($100 million worth every quarter).

Proposal to increase emphasis on creation and support of non-metropolitan districts

Many non-metropolitan areas centered around a community of under 25,000 population are not prepared or motivated as larger population areas to begin massive housing undertaking due to (1) lack of planning, (2) lack of expertise and capital, (3) lack of initiative, and (4) lack of aggressive builders.

To help overcome the determents, HUD's Comprehensive Planning Assistance Program now encourages and assists neighboring units of general-purpose government and other public and private organizations to join together to plan for the most beneficial use of their human and physical resources on an area-wide basis.

This non-metropolitan district planning program will be increased considerably over its initial effort (FY 1969—$750,000—28 districts).

Proposal relating to Operation Breakthrough

Many non-metropolitan areas have excellent transportation and communications networks linking them with urban areas. In such situations firms participating in Operation Breakthrough (and other producers of manufactured homes) should be encouraged to be responsive to the needs of non-metropolitan areas located within a reasonable logistical distance.

Proposal to assist small communities in budgeting, financing, planning and construction of community facilities

The focus of the Public Facility Loan Program is on small communities with priority given to localities under 10,000 in population. Section 207 of this program authorizes the Secretary of Housing and Urban Development to "establish technical advisory services to assist municipalities and other political subdivisions and instrumentalities, and Indian tribes, in the budgeting, financing, planning, and construction of community facilities."

It is recommended that HUD seek appropriations to activate this effort.

Proposal to strengthen HUD's Office of Small Town Services

The Department of Housing and Urban Development has a large number of activities underway which assist non-metropolitan areas. These and other activities being proposed in this Memorandum requires a central coordinating point.

It is recommended that the Office of Small Town Services within the Office of Metropolitan Development be given the increased capacity to coordinate HUD internal and interagency efforts focusing on the improved delivery of housing and community development programs to small towns in non-metropolitan areas.

Proposal to encourage home construction in and around small towns

The development of new communities, outside of congested urban centers and tied to existing smaller communities, will not only provide additional housing but tend to stabilize the economy of the area.

In beginning to administer the New Communities Act of 1968, HUD will give consideration to assisting non-metropolitan new communities.

Proposal to assist States in efforts with small towns

Many states have an official housing agency or office. Those which do not can be assisted in establishing one through the Comprehensive Planning Assistance Program. It is recommended that HUD Regional Offices conduct an extensive educational program with these Offices on all housing programs. Also adequate up-to-date materials will be provided to enable the State housing officials to enable all localities within the State to determine their ability to participate in HUD programs.

Since each state of a Region has its peculiar enabling legislation, it is recommended that each Regional Office prepare specific "Steps of Procedure" for organizing local public housing authorities and developing housing for that specific State or Region—not only the broad general lines of Department Brochures but also containing detailed pertinent information needed by the States within each Region.

The Production Representative who works closest with the community, if not now trained, should be trained in the mechanics of organizing an authority in his particular state, and assisting in the actual preparation of an application.

Proposals to minimize problems relating to economic and demographic feasibility

HUD's Housing Assistance Administration now has enough experience in programming for small authorities to be more generous in the allocation of public housing units. HUD recognizes the possibility of accepting a few vacancies among the smaller authorities which could possibly follow, and is considering this approach.

Where the demand of a town and the surrounding area is too low to support a minimum (generally 20 unit) public housing program, a lesser number of units could be programmed with additional subsidies guaranteed in the Annual Contributions Contract, or the Cooperation Agreement could be amended to permit the city to provide management services at no charge or waive payment in lieu of taxes. Proposed legislation, if passed, will be of assistance in this regard.

Encourage flexibility in management practice to cut costs. For example, do not require local managers, and permit mailing in of rent or payment to local bank or other designated collection agency.

Proposal to direct regional offices to become more concerned

In the case of the Housing Assistance Office, they have traditionally followed the directives of the Central Office as to priority for public housing. It is recommended that a strong statement relative to the importance of the small rural community, similar to that put out to FHA Insuring Offices (Attachment G), should serve to focus attention to this aspect of the program.

Proposal to permit special subsidy for small size program

Public Housing Authorities operating less than 20 units could be guaranteed in the Annual Contributions Contract, a $10.00 per unit per month subsidy to cover the added expense of managing the program. Legislation authorizing this increase is needed and recommended. This increase will be reflected in the executive directors salary, the non-routine accounting fee, higher maintenance equipment costs per unit, utilities expense, etc.

With such a subsidy, inquiries and applications from smaller population areas would be able to receive more serious consideration and not be simply passed over. The fact must be faced that such potential small programs do require additional time and effort all along the line. For instance, villages located in the vicinity of the requesting town will undoubtedly need to be studied to determine the maximum safe number of units feasible for the area.

Proposal to consolidate management

The possibility should be explored of placing a number of less than 20-unit housing projects under a single private management firm. To obtain a sufficient number of units to make the plan worthwhile, a considerable area could be included. It is assumed each local housing authority (LHA) would function individually, rents mailed into a central cashier, and projects visited periodically (perhaps once per quarter). The State housing office or non-metropolitan planning district, discussed earlier, may play a role here.

Proposal concerning 20 percent gap requirement

The 20 percent requirement in small towns and rural areas has long outlived its usefulness if indeed it was ever necessary in these locations. No standard rental housing has usually been built in years. In fact in some localities no standard housing has been built for either sale or rent. To meet the gap requirement the local authority has been forced to an elaborate exercise based on present day building costs and then translating these costs by means of a rental factor and ending up with a gross rental figure which appears ridiculous to the housing authority board.

the governing body and local citizens in general.

It is recommended that HUD seek legislation eliminating the 20 percent gap requirement.

Proposals to make workable program more flexible

The criteria for approval of a Workable Program is two-fold, some established by Congress, and some by Administrative decision, interpretations and traditions. An analysis of the workable program requirement for small communities (Attachment H) indicates the benefits of the program but suggesting certain modifications. A directive from the Central Office to the Region instructing the reviewers to examine the Workable Program in the light of statutory requirements and suggesting greater flexibility as suggested is recommended.

The Low-Rent Housing Manual (Section 201.1 5a) states that a Workable Program for a central city also covers adjacent bedroom towns. This seems to be ignored in most Regional Offices, and the individual locality is required to have its own Workable Program. A clarification of this point and a uniform interpretation policy including its application to a non-metropolitan district could place many localities in the low-rent public housing market who will not now participate. Such a clarification is recommended.

Needed long-term research

The preceding proposals have been devoted, in part, to a discussion of actions that can be taken now (or accomplished in a relatively short time) to improve the ability of the HUD's housing programs to serve non-metropolitan America. We are certain additional improvements can be made. Below is a brief description of topics requiring more extensive study before final recommendations can be prepared:

1. Analysis of State enabling legislation for public housing and suggested changes to better serve rural communities.

2. Review of all administrative requirements and standards to determine changes helpful to rural areas.

3. Detailed study of the time and effort required to initiate a public housing program in a small town as opposed to a program in a larger city.

4. Analysis of the Department's programming experience in small towns to determine whether we are underprogramming.

5. A study of the problems and potentials involved in the use of manufactured and mobile homes to meet the housing needs of rural areas.

6. How to effectively deal with the problems of the unincorporated, minority community which lies adjacent to, but is not an annexed portion of many small communities in the South and Southwest. These areas receive no sevices yet are, in effect, providing labor, purchasing power, etc., to the town.

7. Develop a method of accessing housing needs in rural, nonfarm areas relative to type of unit. To attain economies of scale in the construction of fewer units, would non-metropolitan dwellers choose to reside in multi-unit construction as opposed to detached, single family homes, if it meant reduced payments?

8. There is a need to know more about the deteriorization factor in non-metropolitan areas. This relates to rehabilitation programs of HUD and USDA.

PROPOSALS TO BROADEN FARMERS HOME ADMINISTRATION AUTHORIZATION IN RURAL AREAS

Make advance agreements with builders to encourage a larger volume of dwelling construction

At the present time, rural housing loans are made to eligible applicants to build a house for their own use. Present authorities authorize the Farmers Home Administration to obligate funds only after the loan is approved. The contractor starts construction only after the loan is closed. This method of operation is not conducive to volume home production.

To meet the demand for housing in rural areas, a way should be developed to encourage builders or developers to construct, where a definite market exists, several houses at the same time. Legislative authority should be granted to enable the Farmers Home Administration to obligate funds for a home and agree with builders that a loan will be made to buy the house if:

1. An eligible applicant requests a loan to buy the completed dwelling;

2. Construction is in accordance with the approved plans and specifications;

3. The sale price does not exceed the appraised value and other specified limitations; and

4. The builder understands that the house is his responsibility until all of the above conditions have been met and a sale has been completed.

This would permit and encourage builders, in certain areas, to construct several houses at one time. More houses could be built, the cost of the houses could possibly be reduced through large scale buying and building, and the need for housing could, therefore, be satisfied sooner.

Finance building site acquisition and development

Desirable building sites are becoming scarce in rural areas.

To help alleviate this problem, loans should be authorized to private or public nonprofit organizations to buy and develop building sites to be sold to families, nonprofit organizations, or cooperative eligible under section 235 or 236 of the National Housing Act or section 521 of the Housing Act of 1949. The Housing Act of 1968 provided similar authority for use in connection with mutual self-help projects.

Such broader authority would encourage the development of suitable building sites for rural families and would be particularly helpful in connection with housing for minority groups. The systematic and planned development of building sites would provide an opportunity for building communities of homes that include the facilities essential to a good living environment.

Make needed changes to facilitate the delivery of housing credit to rural families through the rural housing insurance fund

Rural housing loans are made from a revolving fund known as the Rural Housing Insurance Fund (RHIF). After the loans are made, the notes are sold out of the RHIF to investors on an insured basis.

At the present time rural housing loans are being applied for at a faster rate than the RHIF can sell insured notes. This is the result of both the volume of loans applied for and fluctuations in the money market. The fund cannot obligate and hold new loans in excess of the $100 million statutory limit. The result is periodic cessations of loan processing and approval. With the increasing number of loans projected for the future, larger volumes of loan paper will be passing through the fund.

To correct this situation, the following legislation is needed:

1. Raise the ceiling on the amount of new loans that can be held in the RHIF at any one time from $100 million to $350 million; and

2. Clarify the authority for the sale of insured notes out of the RHIF in blocks and authorize such transactions to be treated as a sale of assets for purposes of the Budget and Accounting Act, 1921.

Such legislation would greatly facilitate the sale of rural housing insured loan paper. It is essential to continue operation of the insured housing program.

Require FNMA or GNMA to buy insured rural housing

Fluctuations in the money market at times present an orderly sale of insured notes from the Rural Housing Insurance Fund (RHIF).

To facilitate the sale of insured notes from this fund, steps should be taken to encourage FNMA to use their present authorities to purchase notes and legislative steps taken to require GNMA, at the request of the USDA, to buy notes when private investors are not available.

Increase cooperation and coordination between HUD/USDA

Many of the above proposals naturally require and depend upon effective communication between the two departments. Joint action should be initiated in an outreach capacity, as follows.

A series of regional/state meetings involving HUD/USDA officials should be instituted to:

Advise and inform USDA officials of all HUD programs.

Train USDA officials to help create HUD institutions such as local housing authorities.

Encourage USDA employees to help HUD fill up housing projects in non-metropolitan areas. One technique to use would be to encourage delegations from nearby towns to visit projects having vacancy problems.

Explain and implement recommendations of this Memorandum.

Stimulate greater use of HUD Section 235 and 236 in smaller communities.

Federal housing programs in small towns and rural America

A summary of all Federal housing programs serving families in rural areas and places of less than 5,500 and 5,500 to 25,000 in Georgia and North Carolina is presented in Table 1.

The data do not permit an evaluation, in terms of improvement in housing condition in the rural areas and small towns, of the several Federal housing programs. We do not know how much housing is provided under other financing in which the Federal Government has no part. Suffice it to say that in view of the magnitude of the housing needs in the rural areas and small town, both in terms of physical condition of the housing stock and the inability of households to afford improved housing (see table 2) the housing needs of rural America are large and Federal programs presently help to meet only a small part of that need.

The data show that the Farmers Home Administration serves a substantially large number of families in rural America than the HUD and VA housing programs combined. On the other hand, due to legislative restrictions which prevent the Farmers Home Administration from operating in places of more than 5,500 population, the HUD and V.A. housing programs, as may be expected, are concentrated in the larger communities of up to 25,000.

In 1968 an estimated 7,494 units were started, insured or improved under Federal programs in North Carolina in areas served by the Farmers Home Administration and in places of 5,500 to 25,000 population outside of SMSA's. Of this total of 7,494 units, 2,627 units equal 35.0 percent were initiated under HUD programs, 3,303 or 44.1 percent were started under the Farmers Home Administration programs and 1,564 units or 20.9 percent were placed under construction through V.A. programs.

In rural areas and small towns served by the several housing agencies in Georgia, some 2,104 or 41.0 percent of the units were started in 1968 under Farmers Home Administration programs. HUD and the VA in turn accounted for 39.8 percent and 19.2 percent of housing starts and rehabilitations respectively.

In North Carolina some 3,303 units were

started under the Farmers Home Administration in the area served by its programs. Under, HUD, by comparison, only 772 units were started within the same area.

In places of 5,500 to 25,000 population outside of SMSA the situation was reversed. Under HUD and V.A. programs 1,855 and 1,564 units respectively were started. The Farmers Home Administration, due to its legislative limitations, did not develop any housing under its programs in places of more than 5,500 population.

The situation in Georgia with respect to the number of units started under the several Federal housing programs was similar to that in North Carolina.

Table 1 presents a detailed summary of Federal housing programs in areas served by the Farmers Home Administration and places with population of 5,500 to 25,000 outside of SMSA's. It should be noted that the data in Table 1 were adjusted in order that the operating statistics of the several housing agencies could be compared. These adjustments are described in a Technical note on Housing Program Estimates attached to this paper.

TABLE 1.—SUMMARY OF FEDERAL HOUSING PROGRAMS IN FARMERS HOME ADMINISTRATION AREA AND PLACES WITH POPULATION OF 5,500 TO 25,000 OUTSIDE OF SMSA'S, NORTH CAROLINA AND GEORGIA, 1968

Housing program	North Carolina			Georgia		
	Total	Farmers Home area	Places of 5,500 to 25,000 population outside SMSA's	Total	Farmers Home area	Places of 5,500 to 25,000 population outside SMSA's
Total, Federal housing programs	7,494	[4] 4,075	3,419	5,128	2,632	2,490
HUD-administered housing programs	2,627	[1] 772	1,855	2,039	528	1,511
FHA—single-family starts and existing units insured	362	[1] 72	290	841	[1] 215	626
FHA—multifamily units started	144	0	144	123	7	116
Low-rent public housing [2]	1,104	380	724	900	254	646
Improvement loans and grants [3]	1,017	[1] 320	697	175	[1] 52	123
Farmers Home Administration programs	3,303	3,303	0	2,104	2,104	0
Single-family homes [4]	3,242	3,242	0	2,042	2,042	0
Rental housing	61	61	0	62	62	0
Veterans' Administration	[5] 1,564	(6)	[5] 1,564	[5] 985	(6)	985
GI loans	1,471	(6)	1,471	901	(6)	901
Direct loans	93	(6)	93	84	(6)	84

[1] Estimated.
[2] Low-rent public housing units started and leased.
[3] FHA improvement loans and sec. 115 grants and sec. 312 loans.
[4] Farmers Home Administration sec. 502 and 504 housing loans.
[5] VA activity outside of SMSA's and places with excess of 30,000 population.
[6] Not available.

TECHNICAL NOTE ON HOUSING PROGRAM ESTIMATES

The operating statistics of HUD, the USDA and V.A. are not directly comparable because of differences in, (1) the geographic area served by the Farmers Home Administration on the one hand and HUD and the V.A. on the other hand; (2) the type and scope of the statistics maintained by each of the housing agencies, and (3) the period covered by the housing statistics (i.e. calendar year versus Fiscal Year).

The Farmers Home Administration is limited by law to serving families residing in rural areas and places of less than 5,500 population. HUD and the V.A. are not bound by any legislative restrictions.

The operating statistics of each of the housing agencies reflect the geographic area served. The Farmers Home Administration operating statistics are available for the entire area served by its programs in each state. Thus, the USDA statistics provide data for all rural areas and places less than 5,500.

HUD statistics, with exception of the multifamily programs and Section 115 and 312 rehabilitation Grants and loans, are only available on the county basis. The operating statistics in table 1 for the HUD home ownership and improvement loans and grants program were estimated for rural areas and places of less than 5,500 population and 5,500 to 25,000 population outside SMSA's from individual county data. The programs in rural areas and places of less than 5,500 population, inside SMSA's in turn were estimated by multiplying the county data by the proportional difference in the number of households in the non SMSA counties and the larger area served by the Farmers Home Administration. (For example, the area served by the Farmers Home Administration in North Carolina contains 14.5 percent more households than the SMSA counties.) It was assumed that the HUD programs in the rural areas and places of less than 5,500 in the SMSA counties were proportional to the number of households in the non SMSA counties.

The VA statistics did not lend themselves to similar adjustment. Therefore, the V.A. statistics reflect only activity outside SMSA's and places with excess of 30,000 population. Thus, the V.A. data do not include rural areas and places up to 5,500 population, inside SMSA's.

The data in table 1 are presented in terms of housing starts, commencements of house improvement, and in the case of leased low rent public housing, the initial leasing period. The Federal Housing Administration operating statistics are usually presented in terms of "mortgages insured" and the V.A. data reflect "loans". It is recognized that there is some lag between the start of a new unit and its financing. This lag differs with each program. However, it was assumed for the sake of comparability that starts occurred during the same 12 month period during the unit was financed or an improvement or rehabilitation loan or grant was provided.

The Farmers Home Administration operating statistics are tabulated on a Fiscal Year basis, whereas the HUD and V.A. statistics are available on a calendar year basis. Since the number of units financed with Farmers Home Administration Assistance do not vary substantially from year to year, it was assumed that the Fiscal Year data were representative of the calendar year and accordingly were included without further adjustment.

POPULATION AND HOUSING DATA FOR RURAL AREAS AND PLACES OF LESS THAN 25,000 POPULATION OUTSIDE SMSA'S

Selected population and housing data for 1960 are presented in table 2 for rural areas and places of less than 25,000 population outside of SMSA's in North Carolina and Georgia. Changes have occurred since 1960 in the population, the number of households and the quality of the housing. The number of substandard housing units shown in Table 2, in particular, have changed substantially since 1960. Some of the occupied units found substandard in the rural areas in 1960 have been abandoned, others may have been improved. In many urban areas, on the other hand, there has been improvement in the quality of housing. Neither the reduction in the number of occupied substandard units in the rural areas or the improvement in urban housing is reflected in the summary provided in Table 2. Thus, no quantitative estimates of housing needs can be derived from the data in Table 2.

It is estimated that in North Carolina and Georgia 41 percent and 45 percent of home owners respectively in rural areas and small towns had incomes in 1960 below $3,000. In both states the proportion of renters with incomes below the "poverty line" was greater than the proportion of home owners with similar incomes. In turn, the proportion of low income households was greater in rural areas and places of less than 5,500 population.

Lack of detailed statistics on income by tenure and size of locality made it necessary to estimate the 1960 incomes shown in table 2. Undoubtedly incomes have increased since 1960 in both North Carolina and Georgia. The magnitude of the increase, however, is unknown.

As stated above, the data do not lend themselves to a quantitative analysis of housing needs or subsidy requirements, other than to indicate that the housing needs of rural America are massive.

TABLE 2.—SELECTED POPULATION DATA FOR RURAL AREAS AND PLACES OF LESS THAN 25,000 POPULATION OUTSIDE OF SMSA'S—1960

	Total	Less than 5,500	5,500 to 24,999
NORTH CAROLINA			
1960 character:			
Population	3,150,931	2,641,032	509,899
Number households	807,057	659,287	147,770
Number substandard units	395,538	337,315	38,223
Household income:			
Homeowners (percent):			
Total	100	100	100
Under $3,000	41	44	29
Over $3,000	59	56	71
Renters (percent):			
Total	100	100	100
Under $3,000	55	57	44
Over $3,000	45	43	56
GEORGIA			
Population	2,034,814	1,641,991	392,823
Number of households	536,995	426,420	110,575
Number of substandard units	297,870	260,446	37,424
Household income:			
Homeowners (percent):			
Total	100	100	100
Under $3,000	45	48	32
Over $3,000	55	52	68
Renters (percent):			
Total	100	100	100
Under $3,000	56	60	45
Over $3,000	44	40	55

MORTGAGEES IN RURAL AREAS IN NORTH CAROLINA

Of North Carolina's 4,556,155 population in 1960 nearly two-thirds were living in counties which presently do not have a city with a population of as much as 50,000 persons. These counties, 87 in number, may therefore be considered to be predominantly rural, as opposed to 13 other counties which

contain one or more cities of 50,000 and have a combined population of one-third of the state's total.

In 1967 the 87 predominantly rural counties were being served by 154 savings and loan associations with 185 separate offices out of a total for the entire state of 197 associations with 267 offices. With 78 percent of associations and 69 percent of offices, these 87 counties therefore had more than their proportionate share for their 69 percent of the population. These offices were located in all but 21 of the most sparsely populated counties.

At the end of 1967 out of 28 Federal Savings and Loan Associations that were FHA-approved mortgagees, 19 were in the 87 predominantly rural counties. In addition FHA had approved 44 state-chartered building and loan associations, of which 30 were in the 87 predominantly rural counties. In percentage terms, these counties had 68 percent of both the state's Federal and the state chartered associations.

Considering all FHA-approved mortgagees, in particular commercial banks and mortgage companies, in addition to savings and loan associations, we find that of 186 approved mortgagees, 114 of 61 percent were located in the 87 predominantly rural counties. It should be pointed out, however, that commercial banks provide a relatively small proportion of FHA-insured home mortgages.

County	Commercial banks [1]		Savings and loan associations [2]	
	Number of banks	Number of banking offices	Number of associations	Number of association offices
Alamance	7	18	4	5
Alexander	2	4	1	1
Alleghany	1	1		
Anson	2	6	1	1
Ashe	2	3	1	1
Avery	2	2		
Beaufort	2	7	2	2
Bertie	5	5	1	1
Bladen	4	5	2	2
Brunswick [3]	1	5	1	2
Buncombe [3]	6	25	3	4
Burke	3	10	3	4
Cabarrus	6	13	3	5
Caldwell	3	8	3	3
Carteret	3	8	1	1
Caswell	2	2		
Catawba	4	22	4	9
Chatham	3	6	3	3
Cherokee	1	2		
Chowan	2	4	1	1
Clay	1	1		
Cleveland	4	10	5	5
Columbus	3	16	2	3
Craven	4	12	2	2
Cumberland [3]	5	30	3	7
Currituck	2	2		
Dare	1	3		
Davidson	6	12	5	6
Davie	2	44	1	1
Duplin	4	11	2	2
Durham [3]	6	28	4	7
Edgecombe	6	9	2	2
Forsyth [3]	6	40	4	9
Franklin	3	5	2	2
Gaston	7	21	6	7
Gates	3	3		
Graham	1	1		
Granville	3	4	2	3
Greene	2	3	1	1
Guilford [3]	8	51	6	14
Halifax	4	14	6	6
Harnett	5	11	2	3
Haywood	3	9	3	3
Henderson	3	9	2	4
Hertford	5	8		
Hoke	2	3	1	1
Hyde	1	2		
Iredell	6	18	4	4
Jackson	2	4	1	1
Johnston	7	13	4	6
Jones	3	3		
Lee	2	7	2	3
Lenoir	4	13	2	3
Lincoln	2	5	2	2
Macon	2	3	1	1
Madison	2	4		
Martin	3	6	1	1
McDowell	3	5	2	2
Mecklenburg [3]	14	77	6	9
Mitchell	1	2	1	1
Montgomery	4	6	4	4
Moore	4	9	5	5
Nash	5	21	4	5
New Hanover [3]	4	17	4	6
Northampton	5	6		
Onslow	2	15	2	2
Orange [3]	3	9	3	3
Pamlico	1	1		
Pasquotank	3	4	1	1
Pender	2	3		
Perquimans	1	1	1	1
Person	2	4	2	2
Pitt	9	18	3	5
Polk	2	3	1	1
Randolph [3]	4	10	4	5
Richmond	3	9	2	3
Robeson	4	18	4	5
Rockingham	8	18	5	6
Rowan	6	15	2	3
Rutherford	3	11	3	3
Sampson	2	8	1	1
Scotland	3	9	1	1
Stanley	4	9	2	4
Stokes	1	4	1	1
Surry	4	12	3	5
Swain	2	2		
Transylvania	2	3	1	1
Tyrrell	1	1		
Union [3]	4	12	2	2
Vance	3	7	2	2
Wake [3]	10	50	4	13
Warren	2	3		
Washington	3	5	2	2
Watauga	2	4	1	1
Wayne	6	17	3	3
Wilkes	2	7	1	1
Wilson	4	15	3	3
Yadkin [3]	3	4	1	1
Yancey	1	1		
State total	335	1,009	197	267
Non-SMSA	272	651	159	185
SMSA total	63	358	43	82
Asheville (Buncombe)	6	25	3	4
Charlotte (Mecklenburg, Union)	16	89	7	11
Durham (Durham, Orange)	6	37	6	10
Fayetteville (Cumberland)	5	30	3	7
Greensboro-Winston—Salem—High Point (Forsyth, Guilford, Randolph, Yadkin)	15	105	15	29
Raleigh (Wake)	10	50	4	13
Wilmington (Brunswich, New Hanover)	5	22	5	8

[1] June 29, 1968.
[2] Sept. 30, 1967.
[3] County included in an SMSA.

Note: Number of banks and number of savings and loan associations are the number of individual institutions in a county. The same institution will be listed for each county in which it maintains an office.

FEDERAL HOUSING ADMINISTRATION,
July 27, 1965.

To: Insuring office directors.

Subject: Variations from minimum property standards to meet local market conditions.

This letter will further implement the policies emphasized in Commissioner Letters No. 28 and 29. The interim instructions set forth in Underwriting Letter No. 1992 are now confirmed and expanded as discussed herein.

The modified underwriting procedures detailed below are effective immediately and will provide a more flexible approach to the analysis of home mortgage applications for proposed construction. They are applicable under all existing small homes programs where the Minimum Property Standards for One and Two Living Units, FHA No. 300, or the Minimum Property Standards for Low Cost Housing, FHA No. 18, apply.

PURPOSE

Where local market practices are considered sound and of established acceptance, variations from a literal application of the MPS may be accepted in the various field office jurisdictions where it is deemed appropriate and necessary to conform.

In other words, while the scope and complexity of FHA's programs requires development of uniform operating procedures, these processing instructions cannot cover all situations. Underwriting personnel are expected to exercise initiative and imagination as well as careful judgment in the analysis of proposals. The MPS are basic guides to such judgment for the achievement of sound construction. They are not intended as a handy barrier which may be thrown up to justify an arbitrary decision.

APPLICATION OF MINIMUM PROPERTY STANDARDS

The purpose of this letter is not to be construed in any way as a lowering of the level of quality of FHA construction standards. The objectives are to expand the principles expressed in Letter 1753 which are particularly applicable to small communities but equally available in any local market where conditions warrant variations from the national standards.

As one example, the typical builder operating in one or more small towns builds relatively few houses a year and has many different problems as compared to the large volume urban builder. His potential market is smaller, thus he is more service orientated to the purchaser and usually responds read-

ily to personal needs and desires. He may be less inclined to the use of new techniques and materials, relying more on traditional patterns in the community, some of which may vary from current urban standards. Working outside the pressures of volume construction, many of these builders are craftsmen who take pride in their work and handle complaints and latent defects promptly. It is essential that architectural personnel adopt an attitude of helpfulness and understanding in their relations with such builders and avoid the implication of acting as though they were "enforcers" or some sort of federal policemen.

Similarly, purchasers in small communities or segments of larger urban markets may express individual desires and preferences which require an application of judgment and reasonableness on the part of FHA personnel. The size of the family kitchen may be more important than privacy considerations. Or, a location near friends or relatives may exert more influence than the proximity of land uses which might adversely affect value in other market areas.

Wherever justifiable, planning or construction variations from the MPS should receive a fair and understanding analysis on the part of processing personnel. These variations, however, are obviously not intended as a device whereby properties will be insured which are deficient in structural soundness and durability, have features which will require costly maintenance, or express design or planning concepts so unusual that values and future market acceptance will be endangered. There shall be no compromise with prescribed standards of health and safety.

ARCHITECTURAL PROCESSING AND INSPECTION PROCEDURES

Under instructions stated in underwriting letter 1753, an insuring office is permitted to accept deviations from an explicit MPS requirement, as a "specific case variation" provided "the stated objectives are attained by alternate means." The subject letter extends this concept.

When market analysis indicates that *current practice or local custom* supports certain variations from the MPS, "guide" tables shall be prepared. These guide tables will be henceforth known as *"local acceptance variations."* The local acceptable variations will be established by the Chief Architect and used as a reference by processors and inspectors.

When local market conditions warrant processing of a case under LAV procedure, this will be noted by writing LAV on Form 2800–3 under item 13 in the space provided for the builders name and address. It will be the responsibility of the Chief Architect to designate such cases.

The case processor writes LAV under item 27 of Form 2800–3 and notes each item of deviation corresponding to similar numbered items appearing on the LAV guide, which has been prepared by each office. This information is necessary for the guidance of the compliance inspector.

The compliance inspector will follow customary procedure except for noting items shown on the LAV guide.

In brief, architectural and inspection procedure will follow outstanding instructions except for those instances where market factors require MPS–LAV modification.

The processor amends the exhibits when necessary, but only to the extent of obtaining compliance with the MPS as amended by the LAV guide. When appropriate, the processor and inspector work with the builder or architect for guidance in FHA requirements and suggest modifications which will improve design and construction.

To implement the concept expressed above, it will be necessary for the Chief Architect to take immediate steps to prepare a LAV guide.

Some indication of those items considered appropriate for inclusion in a LAV guide are suggested by the following examples:

1. For areas not subject to extremely high winds or earthquakes, if it is usual practice for builders to install corner braces by cutting 2 x 4's diagonally between the studs, this might be deemed an acceptable variation.

2. Where corners have been braced and it is customary to install fiberboard sheathing with nails and spacing which differs from MPS requirements, this may be included as an acceptable variation.

3. Where termite protection is not required, or the soil has been treated for infestation it may be appropriate to permit the omission of sill flashing which extends into the brick veneer.

4. Where normal good design practice has been followed, the MPS specified clearances for cabinets and kitchen equipment may be modified provided there is no compromise with safety and convenience.

The LAV Guide is reviewed by the Chief Architect and Chief Underwriter. It should be emphasized that there is no substitute for good judgment or sound construction experience. Good processing and inspections never result from a blind reliance upon stated criteria and excellence in design and construction is not achieved by the routine checking of a series of boxes.

The LAV Guide should be kept current through periodic revisions when needed to reflect changing market preference and local practice.

Training sessions shall be started as soon as practicable so that field personnel may become familiar with the LAV Guide and procedures.

Two copies of the LAV Guide shall be forwarded to central office as a matter of record.

SUBDIVISION ANALYSIS

Subdivision analysis will be performed in accordance with existing criteria. It is expected, however, that field office personnel will require only those exhibits required for the needs of the market to be served. Also, Subdivision Reports will be limited to those conditions and requirements necessary to assure that the land will be developed to meet the standards of the local community and FHA objectives.

MORTGAGE CREDIT ANALYSIS

The analysis of the mortgage credit risk will coincide with the technique now in use. In small communities, the availability of background information on the mortgagor may require a departure from prescribed credit report requirements. If the local market has the services of a qualified reporting agency, the usual credit report will be obtained. If such services are not readily available, credit background information will be acceptable from local banks, mercantile or general stores, or other responsible sources. Usually, such information would not be acceptable from sources having an interest in the sale of the mortgage security.

In evaluating the mortgage credit risk consideration should be given to the lower living costs which frequently exist in the small communities. The mortgage credit Examiners should also be alert to other characteristics of the small communities which may affect the credit risk. This may be represented by stronger and more lasting motives for home ownership, greater stability of employment, more respect for financial obligations, etc. Proper recognition of these community characteristics in our analysis should not be considered as an assumption of an increased credit risk.

TRAINING

The Chief Underwriter and underwriting section chiefs will conduct necessary training to assure that all staff and fee personnel are fully aware of the FHA's changed philosophy regarding proposed construction processing of home mortgage proposals.

Directors and Chief Underwriters through Circular Letters and industry meetings have the responsibility to familiarize lenders, builders, and the public with the foregoing procedural changes.

Upon completion of the LAV Guide, field offices will coordinate with the appropriate local Veterans Administration office to promote uniform interpretation of the MPS.

FEDERAL HOUSING ADMINISTRATION,
February 8, 1965.

To Insuring office directors.

Subject: FHA mortgage insurance programs in small communities.

The purpose of this letter is to tell you of the extraordinary response from parts of the nation to my recent letters concerning mortgage insurance operations in small communities. The many letters and telephone calls received from financial institutions, builders and real estate brokers in small communities convince me that there is a great and unsatisfied demand for insured mortgage financing. The challenge facing each of us is to meet this demand by showing industry how it can be done quickly and profitably and on a continuing basis. To induce a lender to "try" a single FHA loan as a personal favor is not enough, insured mortgage financing should be so advantageous in its procedures and results that repetitive business will be generated.

Typical of many letters is the following received from a country banker in a southern state:

"DEAR SIR: We have received a copy of the above letter in which you point out your Office would be of assistance in educational efforts. Our bank is very much interested in setting up a meeting for the builders and real estate people in our area. We would appreciate your advising us how and who we should contact to set up a meeting of this type.

"Very truly yours,

"———, ———."

The president of a large mortgage company wrote me (in part) as follows:

"Please be advised that we are willing to make any loan that FHA will insure in the State of ———, regardless of where the security property is located.

"We are pleased to learn that FHA recognizes that there are good loans in and near small communities which may be secured by properties that, in many cases, may not meet the minimum property standards of metropolitan areas.

"We are ready, willing and able to cooperate with the director of our local FHA insuring office, local VA loan guaranty office, builders, realtors and mortgage lenders, in stimulating the availability of FHA insured mortgage financing and VA guaranteed mortgage financing in small communities of this state.

The cashier of a small state bank in a rural community in a mid-western state sent me the following letter:

"DEAR MR. BROWNSTEIN: Just a line to let you know that we certainly appreciated the viewpoint expressed in your Commissioner Letter No. 28 of January 13th just received. We have felt that the need and opportunity for FHA program in smaller communities has been present for some time, and I think this is a very forward step you are taking.

"We shall continue to try to fulfill mortgage credit needs for our community, and this should be most helpful.

"Very truly yours,

"———, ———."

A few of the letters were not so pleasant and assuring as those I have quoted. The writers claimed an inability to do business with their local insuring offices; they cited unusual processing delays, arbitrary decisions and attitudes and a failure to recognize that the small town market and the metropolitan market have different standards, preferences and desires. I sincerely hope that

these criticisms are out of the past and not a reflection of current attitudes and current processing.

The benefits of the National Housing Act must be available to more of our citizens—big city or small town.

PHILIP N. BROWNSTEIN,
Commissioner.

FEDERAL HOUSING ADMINISTRATION,
January 13, 1965.

To: Insuring office directors.
Subject: FHA mortgage insurance programs in small communities.

The purpose of this letter is to emphasize the positive actions and the present policies which can broaden the utilization of Federal Housing Administration mortgages in small communities and outlying areas.

It is an inherent principle of our form of government that governmental services and facilities must be available to all citizens without regard to remoteness or to the cost of extending service. It is our continuing responsibility to make FHA insured mortgage financing available to all eligible borrowers wherever they may reside. No community in the United States should be considered too remote or too isolated for FHA to serve in a prompt manner.

FHA has the programs and the procedures to serve all areas. However, constant attention by the insuring office director and his staff is needed if the objective of service to all is to be met. Service to the public has first priority at all times; it is never set aside to take care of duties and functions of lesser importance.

During recent years FHA has made many positive changes in its outlook and in its procedures to meet the objective of prompt service to all.

THE SMALL TOWN MARKET

FHA recognizes that the small town may have its own standards which differ greatly from the standards required in metropolitan areas. All features of the physical property and its environment must be judged in the light of local acceptance and preference.

In many instances the small town has sufficient stability and market depth to warrant use of Section 203(b). Merchants and professional persons have the financial capacity and the desire to own properties in the higher value ranges. In addition, demand is increased by improved highways and motor vehicles which permit commuting to places of employment in distant urban areas. These conditions widen the market for small town properties to such a degree that there should be no hesitancy to use Section 203(b).

Relaxed standards for Section 203(i) and Section 221(d)(2) operations permit acceptance of many properties located in areas where it is not practicable to obtain conformity with many of the requirements essential to the insurance of mortgages on housing in built-up urban areas. There must be a constant awareness of the differences between the small town market and the urban market.

PROCEDURAL CHANGES TO ASSURE PROMPT SERVICE

In order to reduce the time needed to process an application, FHA introduced major procedural changes, all of which have been highly successful:

1. The conversion commitment procedures now enable the offices to process about 95 per cent of the conversion requests in 3 days or less. A companion procedure for the issuance of conditional commitments is being tried in selected offices.

2. The new compliance inspection procedure permits the builder to continue construction without the delays associated with waiting for the FHA inspector.

3. Dual appraiser-inspector positions are established in communities remote from the insuring office whenever the workload warrants. Also, fee appraisal assignments are available to a greater degree than in the recent past.

The foregoing reliefs have had a salutary effect in increasing our total productivity and in developing applications from lenders and areas not heretofore reached by FHA. We expect to develop additional timesaving techniques.

THE AVAILABILITY OF FINANCING

A serious problem in meeting the objective of service to all qualified borrowers is the general non-availability of mortgage money in many small towns. The problem is not insurmountable if each insuring office director will use his good offices to encourage additional sources of mortgage money.

We have the assurances of the Federal National Mortgage Association and of the Mortgage Bankers Association of America of their full cooperation in extending secondary market facilities to small town lenders originating insured mortgages. Insuring office directors have the opportunity to be the catalyst to bring the mortgage originator and the secondary outlet together.

To fulfill this essential catalytic function, directors and their key staff must meet with approved mortgagees, real estate brokers, builders and others in the small towns to familiarize them with current FHA procedures and the benefits that are available to particpants in our programs. These educational efforts should extend to detailed assistance in the preparation and submission of applications, the training of mortgagee and builder personnel in FHA requirements and rendering assistance to brokers, builders and other who generate mortgage business.

The State Directors and County Supervisors of the Farmers Home Administration have a good deal of information relating to rural housing, financing needs and availability of mortgage credit. Directors or their designees should meet with the Farmers Home Administration officials to obtain such information and to acquaint them with Federal Housing Administration requirements and processing procedures. Where arrangements are made with approved mortgagees for Federal Housing Administration loans in given areas, the County Supervisors should be notified so that they may refer prospective applicants to the mortgagees. On the back of this letter is a list of the Farmers Home Administration State Directors from whom the names and addresses of the County Supervisors may be obtained.

It must be realized that all our efforts will be to no avail unless we can stimulate lender interest. To accomplish this should be a goal for 1965.

PHILIP N. BROWNSTEIN,
Commissioner.

PROBLEM

Small communities contend that they have difficulty in taking advantage of HUD housing assistance programs because of the Workable Program requirements. This paper will consider some major obstacles which small communities face in developing a certified Workable Program and the possibility of administrative changes which would eliminate or alleviate these difficulties.

PARTICIPATION BY SMALL COMMUNITIES

Whatever may be the difficulties faced by the small community in complying with the Workable Program requirement, it is clear that a large number of small communities have been able to overcome such obstacles. Table 1 indicates the estimated breakdown of localities by population size with certified Workable Programs as of September 30, 1967. The number of communities in the smallest population category (those with populations less than 5,000) was by far the largest, accounting for 36.1 of the total number of localities. It would appear, therefore, that there are no overwhelming obstacles to a small community developing an acceptable Workable Program.

It seems possible, however, that there are a number of difficulties in obtaining Workable Program certification which are likely to be particularly acute for small communities. There are expenses involved in preparing documents for submission and in complying with the ongoing enforcement requirements which a poor relatively unsophisticated small community might find prohibitive. There are also political and institutional problems involved in passing the codes and ordinances which are required in the Workable Program.

PREPARATION EXPENSES

One of the major objections which small communities have to the Workable Program is the expense of undertaking the studies and preparing the documents required by the program. Such communities are unlikely to have a full time planning staff. Much of the information required in the Workable Program has to be prepared by non-professionals or outside consultants. Although many small communities have been able to prepare an acceptable Workable Program, there are some communities which are unable to bear the expense and are therefore precluded from taking advantage of HUD housing assistance programs. However, there are a number of actions which HUD can take to alleviate the financial burden of preparation for such communities which are sincere in their desire to comply with the Workable Program requirements.

The major thrust should be to increase the amount of relevant technical assistance which small communities receive in preparing their Workable Program. One means would be to provide such assistance through the Regional Offices. Groups of specialists (code specialists, planners, relocation experts, etc.) could be organized which would be able to come to a community and provide considerable assistance in a relatively short period of time. In addition, there are two existing assistance programs (Title IX and 701) which could be expanded and made more relevant to the needs of small communities.

With adequate funding, the Title IX program (State Field Assistance to Localities on the Workable Program) could be a very effective means of providing adequate assistance to all communities within each State. The State of Missouri's very fine Title IX program might be used as a model for the type of program which is helpful to small communities and which should be encouraged by the Federal government. The 701 planning grant program could also be modified to aid small communities in Workable Program certification. The 701 program has recently been amended to provide grants for non-metropolitan districts composed of contiguous small towns and rural counties. In this way, the small community could meet the planning requirement of the Workable Program through a combined effort with a number of similar communities. It would also be desirable to increase the coordination between the Workable Program requirements and the type of planning which can be funded under 701. The recent addition of a housing component to the 701 program is a big step in this direction.

COMPLIANCE EXPENSES

Small communities also face considerable expense in the enforcement of the codes required by the Workable Program. Such enforcement requires the establishment of administrative agencies which has a long-range impact on the municipal budget. Some poor small communities might find the prospect of these additional expenses so burdensome that they would elect to forgo Federal housing assistance programs rather than incur such long term expenses.

It is more difficult for the Federal government to ease the burden of compliance ex-

penses than that of preparation costs. There are no existing Federal programs which provide a Federal subsidy for the establishment or the operation of code enforcement agencies. The Federal government can, however, be administratively sensitive to the problems which small communities face in financing an adequate enforcement scheme. This might take the form of allowing more time for housing code enforcement procedures to be established, not requiring a complex building code enforcement scheme where new construction is very small, etc. Such changes, however, should not allow Federal interests embodied in the requirements to be subverted.

POLITICAL PROBLEMS

Small communities might also have difficulty in passing the codes and ordinances which are required by the Workable Program. The local residents of such communities are likely to resist changes which they view as unnecessary or potentially disruptive. The major obstacle to compliance for many communities is the requirement that the community have a housing code and code enforcement procedures which have been in effect for at least six months prior to certification. Communities are likely to experience political difficulties in passing a housing code and enforcement procedures which affect the privacy (through inspections) and incomes (through costs of bringing homes up to code standards) of a large part of the city. This political problem is likely to be more acute in a small community where there was no prior experience with a housing code and where housing code enforcement techniques are not as impersonal as they would be in a large city.

The housing code and other code requirements in the Workable Program represent important Federal interests which should not be sacrificed because some communities find the requirement difficult to comply with. However, the code and enforcement requirements might be administered with greater flexibility in order to create an atmosphere of acceptance among the local residents and prevent undue hardship in a community where compliance would be very difficult.

CONCLUSION

The Workable Program requirement should be retained with the administrative modifications suggested above. These modifications, particularly those designed to provide greater technical assistance to small communities, should enable small communities to obtain Workable Program certification without undue financial hardship. Such certification would allow these communities to take advantage of Federal housing programs, while at the same time assuring that Federal interests embodied in the Workable Program are furthered.

POSSIBLE EXCEPTION

There are some Federal housing programs (such as the 221 (d)3 program) which may be applied for by a non-government, nonprofit agency. A problem arises when a nonprofit agency wants to sponsor a Federally assisted housing program which the local government is opposed to. Workable Program certification requires the cooperation of the local government. A local non-profit corporation which could otherwise take advantage of a HUD program is therefore precluded from operating the program because of the Workable Program requirement and the local government's refusal to obtain certification. HUD should investigate the possibility of waiving the Workable Program requirement in such a situation.

TABLE 1.—ESTIMATED NUMBER AND PERCENT OF LOCALITIES WITH WORKABLE PROGRAM FOR COMMUNITY IMPROVEMENT AS OF SEPT. 30, 1967[1]

Population category (1)	Total		Total active (4)	Total inactive (5)	Sample rate (6)
	Number (2)	Percent (3)			
0 to 5,000	1,193	36.1	632	561	1-30
5,000 to 9,999	517	15.7	264	253	1-14
10,000 to 24,999	616	18.6	326	290	1-20
25,000 to 49,999	423	12.9	224	199	1-15
50,000 to 99,999	236	7.2	126	110	1-10
100,000 to 249,999	177	5.4	95	82	1-7
250,000 to 499,999	93	2.8	49	44	1-4
500,000 to 999,999	31	.9	16	15	1-2
1,000,000 and up	14	.4	7	7	1-1
Total	3,300	100.00	1,739	1,561	

[1] The latest analysis of WP communities by population size categories was based upon the 2,600 communities reporting as of Dec. 31, 1965. To estimate the number and percentage by population size categories (cols. 2 and 3); 3,300 WP communities reported as of Sept. 30, 1967, arbitrary factor of 26.7 percent (representing the percentage increase in all communities reported) has been applied to each population size category.

FHA-APPROVED MORTGAGEES IN GEORGIA, ACTIVE AS OF DEC. 31, 1967

County	Population	Approved mortgagees								
		Total	Type of institution							
			Federal savings and loan	Industrial banks	State banks	National banks	State chartered building and loan	Mortgage companies	Life insurance companies	Miscellaneous organizations
Appling	13,246	1	1							
Bacon	8,359	1			1					
Baldwin	34,064	2			2					
Barrow	14,485	2	1		1					
Bartow	28,267	2			1	1				
Ben Hill	13,633	2	1			1				
Berrien	12,038	1			1					
Bibb	141,249	7	2			1		4		
Bleckley	9,642	1			1					
Brooks	15,292	1				1				
Bulloch	24,263	3	1		2					
Burke	20,596	2			1	1				
Butts	8,976	1				1				
Calhoun	7,341	1			1					
Carroll	36,451	4	1		2	1				
Chatham	188,299	12	2		3	1	1	3		2
Chattooga	19,954	1			1					
Cherokee	23,001	2			2					
Clarke	45,363	3	1					2		
Clay	4,551	1			1					
Clayton	46,365	2	1		1					
Cobb	114,174	8	1		4	1		2		
Coffee	21,953	2	1		1					
Colquitt	34,048	2	1			1				
Cook	11,822	2			2					
Coweta	28,893	2			1	1				
Crisp	17,768	1			1					
Decatur	25,203	3	1		1	1				
De Kalb	256,782	5	1		1	1		2		
Dooly	11,474	1			1					
Dougherty	75,680	7	2		3			2		
Douglas	16,741	1			1					
Elbert	17,835	3	1		1	1				
Emanuel	17,815	3	1		2					
Floyd	69,130	7	2		1	2		2		
Franklin	13,274	1			1					
Fulton	556,326	55	7		5	4	1	27	5	6
Gilmer	8,922	1			1					
Glynn	41,954	6	2		1	2		1		
Gordon	19,228	1	1							
Grady	18,015	2			2					
Greene	11,193	3			3					
Gwinnett	43,541	1			1	1				
Habersham	18,116	2	1		1					
Hall	49,739	4	2		1	1				
Hancock	9,979	1			1					
Hart	15,229	1			1					
Heard	5,333	1			1					
Henry	17,619	1				1				
Jackson	18,499	1			1					
Jasper	6,135	1				1				
Jeff Davis	8,914	1			1					
Jefferson	17,468	2				1				
Lamar	10,240	1				1				
Lanier	5,097	1			1					

FHA-APPROVED MORTGAGEES IN GEORGIA, ACTIVE AS OF DEC. 31, 1967—Continued

County	Population	Approved mortgagees: Total	Type of institution: Federal savings and loan	Industrial banks	State banks	National banks	State chartered building and loan	Mortgage companies	Life insurance companies	Miscellaneous organizations
Laurens	32,313	2	1					1		
Lowndes	49,270	4	2		1					
McDuffie	12,627	2			1			1		
Macon	13,170	1				1				
Marion	5,477	1			1					
Meriwether	19,756	1			1					
Miller	6,908	1			1					
Mitchell	19,652	3	1		2					
Monroe	10,495	1			1					
Montgomery	6,284	1			1					
Morgan	10,280	1			1					
Murray	10,447	2			1	1				
Muscogee	158,623	9	2		1	1		5		
Newton	20,999	1	1							
Paulding	13,101	1				1				
Peach	13,846	1			1					
Pickens	8,903	1			1					
Polk	28,015	3			1	2				
Randolph	11,078	1	1							
Richmond	135,601	7	2		1	1		2	1	
Rockdale	10,572	3			1					2
Seminole	6,802	1	1							
Spaulding	35,404	4	2		1					1
Stephens	18,391	1			1					
Stewart	7,371	1			1					
Sumter	24,652	1	1							
Talbot	7,127	3	1		2					
Taylor	8,311	1			1					
Terrell	12,742	2			2					
Thomas	34,319	3	1		2					
Tift	23,487	3	1		2					
Toombs	16,837	4	1		2	1				
Treutlen	5,874	1			1					
Troup	47,189	3	1		1	1				
Twiggs	7,935	1			1					
Upson	23,800	1			1					
Walker	45,264	1	1							
Walton	20,481	2			1		1			
Ware	34,219	1				1				
Wayne	17,921	1	1							
Whitfield	42,109	3	1		1	1				
Wilkes	10,961	1			1					
Worth	16,682	1			1					

SUMMARY

Population	Number of counties	Type of institution and approved mortgagees: Federal savings and loan	Industrial banks	State banks	National banks	State chartered building and loan	Mortgage companies	Life insurance companies	Miscellaneous organizations
Under 25,000	69	18	0	66	13	1	1	0	2
25,000 to 99,999	22	22	0	21	17	0	8	0	1
100,000 or more	7	17	0	15	10	2	45	6	8

FHA-APPROVED MORTGAGEES IN NORTH CAROLINA ACTIVE AS OF DEC. 31, 1967

County	Population	Approved mortgagees: Total	Type of institution: Federal savings and loan	Industrial banks	State banks	National banks	State chartered building and loan	Mortgage companies	Life insurance companies	Miscellaneous organizations
Alamance	85,674	4	2	1	1					
Anson	24,962	2			1	1				
Beaufort	36,014	2			1		1			
Bertie	24,350	1			1					
Buncombe	130,074	6	2		1	1		1	1	
Cabarrus	68,137	1				1				
Caldwell	49,552	2			1	1				
Catawba	73,191	3				1	2			
Chatham	26,785	1				1				
Cherokee	16,335	1			1					
Chowan	11,729	1					1			
Cleveland	66,048	8	1		1	2	4			
Columbus	48,973	1			1					
Cumberland	148,418	5	1	1				3		
Davidson	79,493	2			1	1				
Davie	16,728	1			1					
Durham	111,995	10	1		2	1	3	1	2	
Edgecombe	54,226	8	2		1		4		1	
Forsyth	189,428	7	1			1	1	3	1	
Gaston	127,074	6	1		1	2	2			
Gates	9,254	1			1					
Granville	33,100	2				1	1			
Guilford	246,520	12	1			1	3	5	1	1
Halifax	58,956	3	1		1		1			
Harnett	48,236	1	1							
Haywood	39,711	3				2	1			
Henderson	36,163	3	1		1	1				
Iredell	62,526	4	1		1	2				

FHA-APPROVED MORTGAGEES IN GEORGIA, ACTIVE AS OF DEC. 31, 1967—Continued

County	Population	Approved mortgagees								
			Type of institution							
		Total	Federal savings and loan	Industrial banks	State banks	National banks	State chartered building and loan	Mortgage companies	Life insurance companies	Miscellaneous organizations
Jackson	17,780	1				1				
Johnston	62,936	1			1					
Lenoir	55,276	2	1				1			
Lincoln	28,814	3	1			1	1			
McDowell	26,742	1				1				
Madison	17,217	2			2					
Martin	27,139	1					1			
Mecklenburg	272,111	14	2		1	2	2	6	1	
Montgomery	18,408	3			3					
Moore	36,733	1			1					
New Hanover	71,742	2					2			
Northampton	26,811	2			2					
Onslow	82,706	1				1				
Pasquotank	25,630	1				1				
Perquimans	9,178	1			1					
Person	26,394	2			1		1			
Pitt	69,942	3	1				2			
Polk	11,395	1	1							
Randolph	61,497	4				1	3			
Richmond	39,202	1			1					
Robeson	89,102	1					1			
Rockingham	69,629	5	1		3		1			
Rowan	82,817	3			2		1			
Rutherford	45,091	2	2							
Scotland	25,183	3			2		1			
Stanly	40,873	1				1				
Scurry	48,205	3	1		1	1				
Swain	8,387	2	1			1				
Union	44,670	2			2					
Wake	169,082	9	1					5	2	1
Watauga	17,529	1					1			
Wayne	82,059	2				1	1			
Wilkes	45,269	2			1		1			
Wilson	57,716	2	2		1	1				

SUMMARY

Population	Number of counties	Type of institution and approved mortgagees							
		Federal savings and loan	Industrial banks	State banks	National banks	State chartered building and loan	Mortgage companies	Life insurance companies	Miscellaneous organizations
Under 25,000	13	2	0	11	3	2	0	0	0
25,000 to 99,999	41	16	1	28	22	31	0	1	0
100,000 or more	8	10	1	5	8	11	24	8	2

ENDING THE RURAL HOUSING VACUUM

The SPEAKER. Under previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 10 minutes.

Mr. PATMAN. Mr. Speaker, rural America—30 percent of the Nation's population and 99 percent of its land mass—is in a vacuum as far as the housing needs of low- and moderate-income families are concerned. This condition exists and is worsening despite the fact that rural America has nearly half of all the Nation's poverty stricken people and two-thirds of its substandard housing. It exists despite a mountain of testimony and reports on housing—despite an extensive and continuously growing library of housing legislation—despite frequently repeated 20-year-old promises that everyone in the land is entitled to adequate housing and a suitable living environment.

That promise was made in 1949 and, if there is hope of its fulfillment, that hope exists largely, if not solely, in our cities where almost all of the resources marshalled to provide adequate housing are being invested. The token efforts made in rural areas during the past 20 years have done little to slow the pace of continuing housing deterioration which now is measured by the more than 4 million substandard dwellings that now exist there. The facts of the matter are the rural housing programs are not even sufficient to maintain a status quo situation, as sad as that is.

As an example, 16 percent of all occupied units in the Nation are substandard, but 25 percent of all occupied units in rural America fall into this category. And this is but one set of figures that are part of a picture that shows the struggle to achieve a decent life in rural America is far greater than in the cities. Nonmetropolitan areas of the country with 37 percent of the population have received less than 20 percent of the home mortgages insured by the Federal Housing Administration. Only 15 percent of Housing and Urban Development Department units for the elderly have gone to rural America where 43 percent of all the Nation's elderly live. Less than 10 percent of HUD's low income public housing rental units have been built or are under construction in rural areas. Thirty percent of all rural families are without bathrooms and less than half of all rural homes have central heating. To this sad list of statistics showing that rural America is desperately disadvantaged should be added the fact that the median income for nonmetropolitan areas of the Nation is 22 percent less than in urban America.

RURAL AREAS—THE FORGOTTEN AMERICA

Mr. Speaker, these conditions have existed for decades in rural America because of the indifference, or lack of knowledge, or both, on the part of the Government and most of our urbanized population. How else can you explain antipoverty and housing programs which virtually ignore nearly half of the Nation's poor and most of its substandard housing? How else can you explain the creation of the Urban Affairs Council, a title that clearly implies that its concerns are concentrated almost completely on the city?

The pronouncements of the Council, so far at least, have utterly failed to recognize there is a rural America, to say nothing of the inescapable conclusion that its problems are even worse than those of the city. My description of housing and income in rural areas are but two aspects of this situation. Proportionately, rural America has far fewer doctors, nurses, dentists, educational facilities, and needed social services of all kinds. More than 30,000 rural communities lack water systems and more than 40,000 lack sewage systems.

Efforts to meet the desperate housing needs of rural America are being made by the Farmers Home Administration of the Department of Agriculture. Farmers Home Administration staff members have said theirs is the only agency providing housing of any consequence for low- and moderate-income families in rural areas. At the same time, they will readily admit that their accomplishments not only fall far short of meeting the need but, if continued at the present level, may not even check the problem, let alone eliminate it. In the 4 years ending in fiscal 1960, the agency received only $104 million for its water and sewer facilities grant program, less than half the amount it estimates is needed. Throughout its entire history, Farmers Home has been able to provide only 22,000 units of low-income housing. Even if Farmers Home is successful in tripling the volume of its insured home loan program, as is proposed in its 1970 budget, it will still only scratch the surface of the rural housing problem. If its budget is tripled it would theoretically be able to make 150,000 insured home loans next year and that is all to the good. But it cannot be considered a serious response to the prevailing circumstances when there are more than 4 million substandard homes in rural America and the need for federally assisted housing there amounts to 300,000 new

or rehabilitated units a year, according to testimony given by Farmers Home Administrator James Smith himself when he appeared at the housing goals hearings of the House Banking and Currency Committee.

FARMERS HOME CANNOT DO THE JOB ALONE

The possibilities of realizing even this inadequate expansion of activities have diminished considerably. The House, in a burst of misguided generosity, has voted to increase the Farmers Home insured home-loan fund about 2¼ times, but it has drastically cut funds proposed to increase the agency's staff so that it can administer the loan applications that will be applied against this increased capacity. If the situation is not corrected, Farmers Home will end up with just about the same number of employees that it had when the Federal expenditures Control Act went into effect last year and, in the name of false economy, forced Farmers Home to leave 596 authorized permanent positions vacant at a time when the agency was headed toward a record backlog of more than 70,000 insured home loan applications.

None of these things are said in criticism of Farmers Home, which I think has done a remarkable job despite extreme limitations. This has been particularly true so far as Farmers Home's operation in east Texas are concerned. The staff of the program in this area, in my view, is the most dedicated of any in Government. Nevertheless, these limitations do exist in the program and make it impossible to meet the urgent housing needs of low- and moderate-income families in rural America. Chief among the restrictions imposed on Farmers Home is that it has been characteristically viewed by Agriculture Department policymakers as a minor section of an otherwise farm industry dominated program. From the day it was established, the Department has focused its attention almost solely on the problems of our farm economy and the development of methods designed to assist in food production and pricing. There was a time in the Nation's history when the Department's programs and expenditures affected the lives of far more people living in rural America than is now the case. Today, only 30 percent of all rural families have direct farm connected incomes. An indication of the Department's treatment of Farmers Home is exemplified by orders issued by its leaders over the years to the agency to cut back its budget proposals despite studies conducted by the Department itself that showed rural housing conditions were rapidly deteriorating. There still is no indication that Farmers Home will ever be elevated to the position it should occupy in the Department.

Other restrictions on Farmers Home include the law limiting the services it can provide to rural communities of 5,500 or less which, in my view, ignores a large part of rural America.

TWO HOUSING PROGRAMS FOR THE NATION

Mr. Speaker, in essence, I have described two housing programs for the Nation. One is operated by the Department of Housing and Urban Development and is directed almost entirely to the needs of our cities. The other, in some respects resembling an unwanted off-spring of the Department of Agriculture, is prevented from even dealing adequately with the housing needs of only a part of rural America.

Under present circumstances, it is my opinion that the housing needs of our cities stand a far better chance of being met than those of the rural areas. The deplorable slums of our cities, with their congestion, squalor, the lack of opportunity for the people and their despair and anger cannot be hidden from the Nation—indeed from the world. The demand for change and for a chance to contribute to and share the wealth of the Nation is concentrated here and it cannot and will not be denied.

The new Secretary of the Department of Housing and Urban Development, Mr. George Romney is obviously acutely aware of these conditions and of his responsibility to help lead the way toward their elimination. He has clearly demonstrated, in his decisions to launch a crash program to rebuild riot damaged ghettos and to develop mass production techniques to provide housing for low- and moderate-income families, that he wants to move the programs of his Department forward as rapidly as possible in the areas of greatest need as he sees them.

It is understandable, since there is little in his political or business background that has related directly to the economic problems of rural America, that he has failed to recognize that the problems of cities are magnified in rural areas. The great migration of rural people to the cities—a migration which continues at a rate of over one-half million people a year—is one of the most dramatic examples of this. By the same token, it is a national tragedy that awareness of rural problems is occurring only after the victims of these conditions are forced to leave their homes in what more often than not is a futile attempt to escape from poverty. The poverty of rural America, the substandard housing, the wretchedness of life where families must live in rotting houses, jammed into one or two rooms and made to pay appallingly high rent, is frequently hidden from public view along the backroads of the countryside. But the poverty stricken are there, comprising a scattered, anonymous army of despair.

HUD MUST BE BROADENED

Mr. Speaker, the Government of our Nation must not be permitted to meet the housing needs of only the urban half of the country. It is clear to me, as I hope it will be to all who profess concern for low- and moderate-income families, that the programs of the Department of Housing and Urban Development must be broadened so that they extend equally to urban and rural America. HUD is, after all, the national Government's housing department, primarily responsible for providing housing assistance for low- and moderate-income families in both urban and rural areas. Although it is the youngest of all Federal departments, it is well on its way to becoming one of the largest and hopefully one of the most effective in Government.

Mr. Speaker, I, therefore, am proposing that the Housing Act of 1968 be amended to provide for establishment of the office of Assistant Secretary for Rural Housing within the Department of Housing and Urban Development. In my view, this is one of the first steps that should be taken in the effort to meet the housing needs of our rural areas as quickly as possible.

HUD has the staff, the expertise and the funds and the avenues of credit that can form a solid base for an expanded effort to deal with rural housing problems. An Assistant Secretary for Rural Housing, as the title implies, should be responsible for administering HUD housing and community facility programs in rural America.

In this connection, the boundary lines for rural America itself should be redrafted. I am convinced the present descriptions—the 2,500 population criteria used by the Census Bureau and the 5,500 standard employed by Farmers Home—fail to describe the real boundaries of rural areas. Communities of 25,000 or less outside of standard metropolitan statistical areas would be much closer to an accurate description of rural America.

I want to make it clear that this amendment will place a part of the Department of Housing and Urban Development, both in Washington and in the field, under the administrative direction of the Assistant Secretary for Rural Housing. Of necessity, HUD, either through training or recruitment, or both, must in the future include on its staff people who are experts on the economy of rural areas, rural housing and rural mortgage credit requirements. Moreover, because of the very nature of our rural population, scattered and frequently isolated, HUD staff members working in rural areas must have direct contact with loan applicants to provide necesssary counseling in terms of credit, site and building arrangements. In addition, a mandate directing the HUD staff to seek out the people who need help must be placed over the entire operation. Only in this way can the program reach the maximum number of participants and provide maximum benefits.

HUD AND FARMERS HOME BOTH NEEDED

Nothing said here, Mr. Speaker, is meant to imply in any way that expanded efforts in HUD will result in diminishing the Farmers Home program. As I have stated, Farmers Home has done an excellent job despite the restrictions under which it labors. Nevertheless, these restrictions make it impossible for that agency to extend its housing services throughout rural America to say nothing of meeting the housing needs of rural communities of 5,500 population or less. As a matter of fact, James V. Smith, Farmers Home Administrator, testified before the House Banking and Currency Housing Subcommittee that he was not certain that his agency's budget, even though its proposed insured loan fund for home ownership is tripled, would be able to surpass the rate by which rural housing is falling into a substandard state. He told the subcommittee that he hoped his budget would manage to reverse the decline, but that he was not certain because the level of funding for personnel was inadequate.

It is obvious that the only feasible solution to this problem is to have the Nation's housing department reach out to the rural areas with the same effort that it has, until now, focused on the cities and suburbs. Adequate funding for HUD for this purpose and strong support for Farmers Home are both required if we are to realistically expect the critical housing problems of rural areas will be finally overcome.

POSTMASTERS VOTE AGAINST CORPORATION

(Mr. OLSEN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OLSEN. Mr. Speaker, there has been considerable talk that the management-level people in the Post Office back the conversion of the Department into a corporation.

I would like to call the attention of my colleagues to an article appearing in the Federal Times of October 8 which shows that one association of management people, the National League of Postmasters, adopted a resolution in convention assembled continuing its opposition to the Nixon administration's plan to convert the postal service into a corporation.

It is noteworthy also that a mail poll conducted among the members of the National League of Postmasters resulted in a vote of more than 5 to 1 against the corporation.

Though I do want to call attention to these facts in the article, I would also like to take this opportunity to congratulate my good friend, Jack Bailey, of Ore-

gon, upon his election to the presidency of the National League of Postmasters.

The article from the Federal Times follows:

POSTMASTERS ELECT BAILEY, ATTACK CORPORATION SCHEME

(By Mike Conlan)

NEW ORLEANS.—Jack Bailey of Scio, Oreg., has been elected president of the National League of Postmasters at its 16th annual convention. Bailey defeated Thomas J. Hornor, Jr., of Juliuston, N.J., the league's secretary-treasurer, by a vote of 153 to 40. Bailey was the league's executive vice president. Henry M. Heyl of Wooster, Ohio, the incumbent, did not seek another term.

Five vice presidents also were elected. The winners were: Frank Wilson, Nolensville, Tenn., Doris Beasley, Cherry Valley, Ark.; Eugene Dalton, Baldwin, Ga.; Oliver Corona, Tahoe City, Calif.; and Clair L. Hill, Burlington, Mich. All except Corona and Dalton were incumbents. Also running were: J. Wesley Melton, Bentley, Kans., an incumbent; James Lakin, Charleston, W.Va.; and Peter LaMonica, Pleasantville, N.Y.

Wanda Feidnes of Michigan Town, Ind., won the secretary-treasurer's position. She beat David Lea of Massies Mill, Va., and Lee Dalton of Sturdivant, Mo.

Despite entreaties from Post Office Department officials, the league adopted a resolution continuing its opposition to the Nixon Administration's plan to convert the postal service into a government-owned corporation. A mail poll of the league's members ran more than five to one against the corporation.

After Watt H. McBrayer, deputy assistant general for industrial relations, made a pitch for the corporation, he asked delegates if they had any questions. From the tone of the questions, it soon became apparent that the postmasters were not buying the corporation idea.

McBrayer then said he had some information that could cut short the questioning period. He read a wire-service report that the House Post Office and Civil Service Committee had voted down, at least temporarily, the corporation plan. The delegates' cheers left no doubt about how they felt.

Earlier in the week-long convention, Sen. Ralph Yarborough, D.-Tex., soundly denounced the corporation plan. "You don't spell postal reform c-o-r-p-o-r-a-t-i-o-n. I'm against the corporation because it won't mean better service for the American people."

The senator went on to describe the corporation bill as a "money-grabbing profit-motive, gouge" plan.

Representatives Richard C. White, D.-Tex., and Lawrence J. Hogan, R.-Md., also discussed the corporation. White said he was opposed. Hogan did not make his position known.

Also addressing the convention were: Ludwig J. Andolsek, civil service commissioner; W. J. Cotter, chief postal inspector; William P. Gulledge, assistant chief of the Civil Service, Bureau of Retirement, Insurance and Occupaional Health; Rep. David N. Henderson, D.-N.C.; Edwin A. Riley of the Post Office Department's Bureau of Finance; and Richard W. Jones, a postal customer relations officer.

SCREWWORM ERADICATION

(Mr. DE LA GARZA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DE LA GARZA. Mr. Speaker, it was my very happy privilege this morning to accompany a distinguished group of Mexican cattleman, leaders of their industry, and several of the leaders of the Southwest Animal Health Research Foundation for a visit with our Secretary of Agriculture, the Honorable Clifford M. Hardin.

At a time when there is some unrest on the border, we nonetheless continue with the tested programs of good will, understanding, and betterment of our peoples. Such is the case with the screwworm eradication program which has and is working—not only in the eradication of the pest—but in the manner in which our two countries have handled the program.

The purpose of the visit of our friends was to urge the Secretary—as they had already done with the Mexican Minister of Agriculture—to continue and expand this program, and to pledge their support, both moral and financial, within the limits of their resources. They are indeed to be commended for their excellent leadership and their spirit of self help and international cooperation.

Mr. Speaker, I attach herewith a copy of their declaration:

Be it known to all:

We, the members of the Board of Trustees of the National Livestock Producers' Confederation of Mexico and the executive offices of the Southwest Animal Health Research Foundation, have considered it advisable to meet and declare the following:

1. That we reaffirm with vigor the joint declaration adopted and ratified by the two organizations on June 11, 1965.

2. That the screwworm has been completely eradicated in the United States, and the population of this parasite in northern Mexico, where the fight against this pest is now being actively waged, has been substantially reduced.

3. That to prevent the reinfestations that have occurred in the free areas within the zone of operations, the program should be extended southwards.

4. That these reinfestations are a constant threat to livestock producers in northern Mexico and the U.S. Southeast and Southwest, and frustrate the hopes of livestock producers that total eradication of this parasite will be achieved, presenting the danger of loss of the investments and work done to date in this program.

5. That the governments of Mexico and the United States have repeatedly publicly enunciated their pleasure at the successes achieved in the screwworm eradiation program. Both the President of Mexico and the President of the United States reaffirmed at Punta del Este the desire of their governments to move forward in the elimination of this serious pest of animals and humans from this hemisphere.

We therefore declare:

1. That our two organizations consider that it is imperative to collaborate with our respective governments, in the immediate formation of a concrete program as soon as possible, based on the principles of mutual collaboration that were in effect during the campaign to eradicate foot-and-mouth disease in Mexico, and which are still in effect in the program for the prevention of this disease.

2. That, in addition to the imperative call for action that we are making to both governments, we have agreed to use funds of the Southwest Animal Health Research Foundation to finance the development of plans for a plant for the production of sterile flies in Mexico, thus accelerating our plans and looking to the final culmination of the goals we seek.

3. That our organizations feel that talks should begin as soon as possible to seek the mechanism by which the screwworm eradication program can operate as a part of the Mexican-American Commission for the Prevention of Foot-and-Mouth Disease, inasmuch as both governments have already established the authority for such action, and that this joint action by governments and livestock producers should include the necessary studies for the addition of programs for the eradication of other parasites, such as the fever tick.

In mutual respect, born of friendship, and in the hope that science can help find more effective means for nations to live and prosper together, we give our hands in fraternity in Mexico City, on the 9th day of April of the Year One Thousand Nine Hundred and Sixty-Nine.

CONFEDERACION NACIONAL GANADERA,
GUILEBALDO FLORES FUENTES,
President.

SOUTHWEST ANIMAL HEALTH RESEARCH FOUNDATION,
DOLPH BRISCOE, *President.*

WORLD BANK MANIFESTO—INTERNATIONAL SOCIALISTS' GOALS

(Mr. RARICK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RARICK. Mr. Speaker, what Member of this body, to the knowledge of his constituents, would vote to:

First. Permit an international body to assess taxes on U.S. citizens?

Second. Place U.S. foreign aid under an international oversight committee?

Third. Deliberately further retard an already lagging U.S. economy?

Fourth. Turn over to an international body, control of all U.S. business engaged in world trade?

Fifth. Interject bankers into the field of human reproduction and fertility?

Sixth. Discard any consideration of balance of payments, with other countries?

Seventh. Eliminate all protective tariffs on imports?

Eighth. Render this body subservient to an international organization of world bankers?

Yet, if the same objectives and purposes are written in palatable language, thinly disguised and labeled as "progressive," and "mature," and "humanitarian" many will so vote.

The full program of international planning for foreign aid, trade, and investment was proclaimed to the people of the world last week by Robert McNamara, the baron of that financial-industrial complex known as the World Bank.

Mr. McNamara is perhaps best remembered from his preinternational days for his successes with the Edsel automobile, TFX, the war in Vietnam, and for his parting comment—that his greatest achievement as Secretary of Defense was forcibly integrating all military installations and off-base facilities.

Mr. McNamara's vision of a new egalitarian world by increasing taxes from productive peoples, by eliminating waste, mismanagement and corruption, and full implementation of international guidelines will not be reassuring to the American people.

He now complains that despite his efforts, the United States' economy con-

tinues to advance too rapidly, therefore his international superintellects must discover new devices to siphon off U.S. capital and investments. Accumulating and retaining profit in any country is regarded—like patriotism and nationalism—as international immorality in the eyes of the World Bank.

The World Bank has sent its 400-page program to the U.S. President and we can expect to be called upon to stamp approval on the world plan to equalize wealth and potential among nations.

Taxpayers in the United States are to be expected to double foreign aid—in the name of relieving world poverty. Tariffs to protect U.S. industry and agricultural products are not to be countenanced by the World Bank.

An intensive public relations program to repeal the Hickenlooper amendment can be anticipated and must be recognized as a power move by the international banker-investment cartel to fully internationalize industrial trade.

On every point of the World Bank recommendations, U.S. interests and sound economy must give way to programs geared only for world redistribution of wealth.

With the good, decent, hard-working, U.S. taxpayers, workers and farmers already reeling from the most severe Socialist retrogression ever thrust upon the American people, the World Bank faces a real challenge to make their destructive ambitions acceptable to the politician, who is answerable to his people at home. Already the American people stagger under the heaviest taxes ever borne by them; inflation continues and worsens; high interest rates and a near unavailability of investment capital already plague the private sector. The industrialist and the farmer, finding their domestic market saturated by cheap foreign imports, already appeal for relief by demanding protection of their livelihood through imposition of duties and tariffs.

Nevertheless, the internationalists with their power to confuse, persuade and maneuver should never be underestimated, and the American people should be watchful to see that their wishes—and not those of the world bankers—are enacted into law.

Mr. Speaker, I include several news reports as follows:

[From the Washington (D.C.) Post, Oct. 5, 1969]

A CHALLENGE TO REVERSE CURRENT U.S. TRENDS

(By A. D. Horne)

For the United States, the Pearson Commission report published last week poses an across-the-board challenge to reverse current trends in trade, investment and foreign aid policies.

The 400-page report, commissioned by World Bank President Robert S. McNamara in August 1968, will be the starting point for President Nixon's Task Force on International Development, headed by Bank of America president Rudolph A. Peterson, which is to present its recommendations for "a new U.S. approach to aid for the 1970s" to the White House next February.

The Pearson task force—nine businessmen, four academics, two lawyers and a cardinal—will have to address itself to the forces which have succeeded in trimming back the flow of American capital to the developing nations: the coalition of budget-cutters trade protectionists and balance-of-payments watchers. Because this the constituency which must be sold on any new policy, and because its own composition reflects this constituency, the task force appears unlikely to call for sweeping changes that will cost money.

Yet it is just such changes that the Pearson Commission has urged. Because most of its 68 formal recommendations flow from the mainstream of the last 10 years' international discussions, conferences and reports, the Commission has disappointed some specialists who had hoped for new ideas. Yet, while the Commission's report may seem conventional, its recommendations call for radical departures from present practices.

TRADE

"Trade is not a substitute for foreign aid," the Pearson report declares, yet "in the long run, only the evolution of their trade with other nations, together with a growing capacity to substitute production for imports, will enable the developing countries to grow without the help of concessional finance."

To expand the developing nations' export earnings—90 per cent of which are based on primary products, and more than 50 per cent of which are based on a single product in nearly half the countries—the Commission recommends:

Elimination of import levies by the developed nations on "products of special interest" to developing countries, and elimination of quotas now restricting at least 30 per cent of the imports of "manufactures and semi-manufactures" from the developing countries. "The developing countries have every reason to be concerned about the rebirth of protectionist sentiment in some of the major industrial countries."

Creation of the developed nations of "a generalized nonreciprocal scheme of preferences for manufactured and semi-manufactured products from developing countries, including processed goods, before the end of 1970."

FLOW OF RESOURCES TO DEVELOPING NATIONS

TOTAL NET FLOW OF RESOURCES TO DEVELOPING COUNTRIES AND MULTILATERAL AGENCIES

[In billions of dollars]

	Average 1950–55	1956	1961	1963	1967	1968
Official development	1.9	3.3	5.2	5.9	6.6	6.4
Assistance—						
Grants	1.2	1.9	4.5	4.4	4.4	4.1
Loans	.5	.5	.6	1.5	2.3	2.4
Private flows	1.6	2.9	3.1	2.5	4.2	5.8
Total	3.5	6.2	9.2	8.6	11.2	12.8

Source: OECD, DAC, unpublished preliminary data for 1968 and earlier annual reviews.

(This goal of trade preferences for the poorer nations has been discussed and endorsed at the United Nations Conference on Trade and Development, or UNCTAD, in 1964 and 1968.)

Use of foreign aid to create buffer stocks of commodities as protection against sharp price drops. (The Commission warns, however, that any effort to raise long-term commodity prices by restricting production would only encourage wider use of synthetic substitutes.)

International agreements among the developing nations to reduce multilaterally by the end of 1970 their own tariff barriers against each others' products.

PRIVATE INVESTMENT

The Commission rejects the view, most recently stated by the Latin American nations in the "Consensus of Vina del Mar," that foreign investment takes more out of developing nations than it puts in. "In our judgment," the Commission concludes, "available facts do suggest that direct foreign investment has added substantially to the real national income of developing countries."

While governmental aid remained static through the 1960s, private foreign investment in the developing countries doubled, from $2.9 billion in 1958 to $5.8 billion last year. The Commission, seeking ways to promote even higher capital flows to the developing countries suggests:

Foreign investment agreements "involving politically sensitive activities, such as mining and public utilities," should provide for renegotiation after a minimum term.

"Developed countries should, as far as possible, keep aid policy and disputes concerning foreign investment separate." Although not a formal recommendation, this sentence in a paragraph decrying "interventions by the large industrial powers on behalf of their investors," is a polite call for repeal of the U.S. Hickenlooper Amendment.

"Tax concessions to attract foreign companies" should be used sparingly, but developing countries should "strengthen their investment incentive schemes" and "structure their tax systems to encourage profit reinvestment by foreign companies."

Balance-of-payments restrictions hindering bond issues of the developing nations should be eliminated by the developed countries. "We recognize the very great weight of balance-of-payments considerations," the Commission declares, "but . . . we do not consider it acceptable that efforts to help developing countries should be the first casualty . . ."

Private export credits to the developing countries, which reached a level of $1.3 billion in 1966–68, have "created serious balance-of-payments problems for developing countries" and have been "a major reason" for several debt crises. The danger of export credit finance the Commission warns, is that "it provides a temporarily painless way of financing projects conceived by over-optimistic civil servants, by politicians more concerned with immediate political advantage than with political future economic problems, and by unscrupulous salesmen for the manufacturers of capital equipment in developed countries."

AID GOALS AND TECHNIQUES

The Commission endorses the UNCTAD goal of pegging total flows of public and private capital to the developing world at 1 per cent of the developed nations' gross national products by no later than 1975—an estimated target of $23 billion compared to last year's total of $12.8 billion, which represented 0.77 per cent of a combined GNP of roughly $1700 billion.

"So far this target has had little operational significance" in the main aid-giving countries, the Commission concedes. In part, it suggests, this is because the target makes no distinction between public aid and commercial transactions. It therefore proposes an additional target for official development assistance only—0.7 per cent billion (0.39 per cent of GNP) to $16.2 of GNP by 1975, to be monitored by the 16 major nonCommunist aid-giving nation's Development Assistance Committee (DAC).

This new target would raise total development aid from last year's $6.4 billion, and the U.S. share from last year's $3.3 billion (0.38 per cent) to $8.2 billion.

(In fact, by 1971 U.S. official aid will have dropped to $2.8 billion on the basis of decisions already made.)

"The primary purpose of the additional development aid which we are recommending for the 1970s," the Commission says, "should be to help bring as many less developed countries as possible to a level of growth of at least 6 per cent per year" that "would transform the economic outlook in a developing country." (Although GNP statistics in many countries are unreliable, the World Bank credits the developing countries with an

average GNP gain of 5 per cent during the 1969s.)

A further goal is to make this 6 per cent growth rate "self-sustaining"—that is to gradually end aid as each country becomes able to maintain its growth without it. "By the year 2000, aid would largely have disappeared."

While finding no support for charges of large-scale "waste, mismanagement or corruption" of aid funds, the Commission concedes that much has been given for the wrong reasons and without "any consistent economic criteria." It outlines a strategy for relating increased aid to economic performance:

Creation of "new multilateral groupings," supported by the World Bank, to "provide for annual reviews of the development performance of recipients and the discharge of aid and related commitments by donors."

Aid-giving nations should try to put appropriations on "at least a 3-year basis," should shift emphasis from individual projects to program aid and should act jointly to end the self protective "tying" aid to purchase in the donor country.

A minimum of 20 per cent of official aid, roughly double the current ratio, should be channeled through multilateral institutions such as the World Bank group and the special country consortia by 1975.

The World Bank's soft-loan affiliate, the International Development Association (IDA), should be expanded to a $1.5-billion-a-year level by 1975. (It is currently receiving $400 million a year.) The flow of contributions to IDA should be regularized, possibly by allocating to it part of the developed nations quotas of the new Special Drawing Right ("paper gold"), or by linking to it interest repayments on past aid loans.

DEVELOPMENT DEBTS

The developing nations now owe the developed nations roughly $50 billion, and paid debt service charges totaling $4.7 billion in 1967. If the scope and terms of new loans remains unchanged, the Commission warns, "by 1977 debt service would considerably exceed new lending" in most parts of the developing world.

A factor in this debt crisis is the current hardening of aid terms by donors, both in higher interest rates and in reduced ratios of grants to loans. The Commission hopes for maintenance of the present grant ratio but also backs soft loans for creating "greater awareness of efficiency and development criteria."

It proposes to limit future aid loans to 2 per cent interest (the 1963 U.S. rate, now raised to 3.5 per cent), with 25-40 year maturity and a 7-10 year grace period.

POPULATION, EDUCATION

"No other phenomenon casts a darker shadow over the prospects for international development than the staggering growth of population," the Commission declares. Its main proposal is for the World Bank and World Health Organization to "launch immediately a wide-ranging international program for the direction, coordination and financing of research in the field of human reproduction and fertility control."

In education and research, the Commission recommends:

More aid for new techniques rather than classical methods, and more scholarships for use in the developing countries to halt the "brain drain" that has been accelerated by "indiscriminate scholarship awards for study in advanced countries."

Aid-giving countries outside the United States should earmark 5 per cent of their public research budgets to the problem of developing countries; the U.S., with higher R & D spending, should match the total of the other donors.

THE FUTURE

The Commission calls for several international conferences, including a DAC meeting of "major aid donors and recipients" next year to work out improved aid procedures, and a World Bank conference also in 1970 to "discuss the creation of improved machinery for coordination" of aid, trade and other international economic policy.

Besides the U.S. Peterson task force, a U.N. study headed by Prof. Jan Tinbergen is already in progress, and an international development conference has been convened for next February at Columbia University. While the Pearson Commission has been dissolved, chairman Pearson is likely to find himself busy as the international debate which his report was intended to stimulate begins to take shape.

THE COMMISSION

The eight members of the Commission on International Development were chosen both for personal prestige and for geographical reasons.

Its chairman, former Prime Minister Lester B. Pearson of Canada, was selected by President Robert S. McNamara of the World Bank, which financed but did not otherwise control the Commission. Pearson, in turn, then chose the seven other Commission members—five from the five leading aid-giving nations and two to represent the developing world, a deliberate imbalance to forestall dismissal of the Report as just another in a series of pleas from the poor nations to the rich.

Members from the developed nations are: Sir Edward Boyle of Great Britain, a Conservative member of Parliament and former minister of education; C. Douglas Dillon of the United States, former under secretary of state and treasury secretary; Wilfried Guth of Germany, former German executive director of the International Monetary Fund; Robert Marjolin of France, former vice president of the European Economic Community; and Saburo Okita of Japan, president of the Japan Economic Center.

Members from the developing nations are: Roberto Campos of Brazil, former ambassador to the U.S. and planning minister, and Sir Arthur Lewis of the West Indies, professor of political economy at Princeton University. None of the Commission members speak for their nations.

[From the Washington Post, Oct. 5, 1969]

THE PEARSON REPORT: THE END OF AID

A year ago, upon taking office as president of the World Bank, Robert McNamara looked around the world and perceived a crisis of vast dimensions. The rich countries, particularly the United States, seemed to be getting fed up with helping the poor countries, and in turn the poor were becoming increasingly resentful of their inadequate growth and were blaming the lag on the stinginess, if not the malice, of the rich. To Mr. McNamara these trends portended a calamitous combination of economic distress and political tension, and he resolved to act.

Essentially, his hope was to clear the air, that is, to provide the basis of a fresh consensus of rich and poor alike, in order to narrow the economic and political gaps between them. And so he picked up a proposal originally made by his predecessor, George Woods, for a "grand assize" of world development. To carry it out, he turned to former Canadian Prime Minister Lester Pearson, who worked up a commission and began picking the best development brains available. The Pearson Commission report came out last Wednesday.

The Pearson Report is 400 pages long, including appendices. It reads like . . . well, like a long report; no one is apt to confuse it with *Portnoy's Complaint*. Its purpose is to build confidence in international cooperation to bring about effective evolutionary change. Its basic economic premise is that, in a world of alarming discrepancies in economic capacity, no country's poverty can be eased by its own efforts alone. Its political premise is that, in a world shrunk to "village" size, no country's affluence can be safeguarded for long if its neighbors are in distress. This is the new post-imperialist internationalism; it cannot be denied.

As befits a propect with a hortatory purpose, the Pearson Report is positive and upbeat (and therefore controversial) both in its assessment of past achievements in development and its forecast of future possibilities. Since it was written not to be admired or even much argued about but to be acted on, its tone is such to stimulate governments, planners and investors, not to offend or discourage them. Hence, in one conspicuous instance of misemphasis, it does not give population control the urgent priority it requires. The report is an establishment pronouncement, not a maverick critique. It pursues economic development, bypassing questions of the desirability or unavoidability of radical political and social change.

Development is not the moon; the Pearson Report brings back no hitherto unknown "lunar rocks" in its recommendations. Of these recommendations there are hundreds, not very selectively arrayed. The thrust of all of them is to bring most poor countries to a point where, by the end of the century, they will no longer need aid. Their growth will be "self-sustaining." To accomplish this, the report insists that their growth rate be raised to an average 6 per cent a year, which is a lot. This will require aid donors to give more; the United States Government, relatively a laggard now, will have to double its effort. Recipients will have to perform more efficiently, and to be judged on their performance. Poor countries will have to improve conditions for private investment. Rich countries will have to let the poor sell them more of their goods. The multilateral sources and administrators of aid, like the World Bank and the aid-India club, must be strengthened—to spare rich countries like the United States, and the poor countries they help, the harshest of the political frictions inherent in any face-to-face dealing of patron and client.

For a report like this, its excellence is incidental; implementation is crucial. Like a bee that stings once and dies, the Pearson Commission expires with its report. Implementation falls to others, to governments and to outfits like the World Bank. That means, principally, deciding which of the Pearson recommendations require priority application and organizing an appropriate onslaught. Common humanity and narrow self-interest demand that the job be done. The Pearson Report, clearly and comprehensively, shows how the job can be done. It points a passable way toward the reduction of world poverty and the end of aid.

FOREIGN AID FALLS TO A LOW ESTATE

The widening gap between the developed and developing countries has become a central issue of our time. The effort to reduce it has inspired the nations left behind by the technological revolution to mobilize their resources for economic growth.

It has also produced a transfer of resources on an unprecedented scale from richer to poorer countries. International cooperation for development over the last twenty years has been of a nature and on a scale new to history.

The transfer of resources that gave substance to this international cooperative effort began after the war and increased rapidly in the late 1950s. By 1961, almost $8 billion, or nearly 1 per cent of the gross national product (GNP) of the high-income, noncommu-

nist nations, was flowing into low-income nations. There were also additional transfers from the Soviet Union and other Communist countries.

Though after 1961, the total flow failed to grow as rapidly as the economies of the wealthy nations, the absolute level did steadily increase until by 1968 it had reached a total of $12.8 billion in public and private resources from the noncommunist countries alone.

The experience which we have gained in the last two decades bears out the premise—and the promise—of the effort that has been made. Economic growth in many of the developing countries has proceeded at faster rates than the industrialized countries ever enjoyed at a similar stage in their own history.

The fears that economically underdeveloped parts of the world were incapable of growth, or that their political problems would be so great as to preclude any economic advance, have proved to be unfounded. Many of the developing countries have shown themselves capable of a major development effort.

A SPIRIT OF DISENCHANTMENT

However, international support for development is now flagging. In some of the rich countries, its feasibility, even its very purpose, is in question. The climate surrounding foreign aid programs is heavy with disillusion and distrust. This is not true everywhere. Indeed, there are countries in which the opposite is true. Nevertheless, we have reached a point of crisis.

The question which now arises is whether the rich and developed nations will continue their efforts to assist the developing countries or whether they will allow the structure built up for development cooperation to deteriorate and fall apart. The signs are not propitious.

In the last years of this decade, the volume of foreign official aid has been stagnant. At no time during this period has it kept pace with the growth of national product in the wealthy nations. In fact, the commitments by the United States, which has been much the largest provider of aid fund, are declining. There, and in some other developed countries, we have encountered a spirit of disenchantment.

Some of this is due to the fact that attitudes in donor countries often have been affected by misconceptions and unrealistic expectations of "instant development" when we should have known that development was a long-term process. There has also been strong criticism of waste in the use of aid in the developing countries and complaints that aid activities lead inevitably to entanglement in political conflict and military hostilities in which recipient countries may become engaged.

COMMITMENTS AT HOME

A good deal of bilateral aid has indeed been dispensed in order to achieve short-term political favors, gain strategic advantages or promote exports from the donor. Much foreign aid was granted in the 1950s to enable some countries to maintain large armed forces rather than to promote economic growth. In none of these cases was the promotion of long-term development a dominant objective of the aid given.

It is hardly surprising, therefore, that hopes of satisfactory development progress were disappointed or that aid given as "defense support" has on occasion led to greater involvement in a deteriorating security situation affecting the recipient country. Nor is it surprising, either, that there should often have been criticism because of misconceptions of what this kind of aid was meant to achieve.

There has also been a lessening of support for genuine development aid, in part at least due to the increasing complexity and seriousness of domestic problems—the deepening commitments to abolish poverty and deal with such questions as civil rights, economic discrimination and urban and environmental problems.

It is not only among the developed countries that the climate has deteriorated. On the developing side, too, there are signs of frustration and impatience. In much of the developing world there is a sense of disillusion about the very nature of the aid relationship.

Our travels and studies have convinced us that we have come to a turning point. On all sides we sense a weariness and a search for new directions.

The period of development cooperation began with a number of presuppositions on both sides. Some—as we have seen—were unrealistic and unfortunate. Development was often seen in new nations as the economic continuation of the political struggle for independence; as an important means of creating a new national identity or of breaking old and restrictive ties. The elimination of alien rule was thought by many to open the way to early and easy prosperity.

The nature of the obstacles which stood in the way of quick results, or the decisions which had to be taken to achieve any results at all, were not always understood. The need for export growth was underestimated, agricultural development was usually neglected. Development was also too often only seen as a consequence of decision-making at the top. The vital need to bring about mass participation in development was at times sacrificed to the enrichment of special groups or individuals.

Donors and recipients alike tended to view the modernization and development of low-income countries as an attempt to repeat the Industrial Revolution in quick time. They focused inordinate attention on individual investment projects and relatively little on the causes and results of stagnation.

Recipients as well as donors also tended to expect too much too soon from aid supplementing the national development effort. A dramatic change in the lives of hundreds of millions of people was expected from a relatively modest flow of resources, much of which was offset by unfavorable trends in the terms of international trade.

WORKING FROM WITHIN

The understanding of these problems, however, has grown. Past approaches have been modified and coordinated and better results are being secured. The developing countries have more and more come to recognize that their economic policies must look outward and strive for competitive strength; that agricultural growth is indispensable in order to raise levels of living for the large majorities of their populations and to provide markets for their growing industries.

The most cumbersome controls have been relaxed, and much more attention is paid to the mobilization and allocation of resources through incentives to individual effort. Above all, it is realized that development must come from within, and that no foreign help will suffice where there is no national will to make the fundamental changes which are needed.

It has become very clear that the impact made by the contribution of resources from outside depends on the efficiency with which the recipient uses his own resources and on his overall economic and social policy. Both sides have learned that cooperation for development means more than a simple transfer of funds. It means a set of new relationships which must be founded on mutual understanding and self-respect.

Good development relations also require the acceptance of a continuing review of performance on both sides, not dominated by either the donor's or the recipient's immediate political or economic interests or pressures. Aid, to be effective, requires less uncertainty and more continuity that is often the case today. It cannot be disrupted or cut off without harmful results to the recipient's capacity to plan for the future.

Wealth does not entitle a rich and powerful country to dominate another country's national life as a consequence of the aid it may have given. On the other hand, it is impossible for any country to transfer public funds abroad without being able to satisfy its citizens that these funds are being effectively used to reach acceptable development goals and that the receiving countries are making strong efforts of their own to improve their situations. The "development relationship," which it at the heart of efficient aid policy, must be based on a clear division of responsibilities which meets the needs of both partners.

In recent years, the volume of aid has stagnated, the terms have hardened and the conditions have become more restrictive. This is happening at a time when the success of many developing countries has greatly increased their capacity to utilize additional resources effectively. To overcome the obstacles and take advantage of the opportunities for further growth will require that aid, trade and investment policies are integrated in a single strategy which rests firmly upon the performance of the developing countries themselves and the sustained commitment of the richer countries.

[From the Washington Star, Oct. 4, 1969]

SOUTH AFRICA PRESSING THE UNITED STATES FOR COMPROMISE ON GOLD ISSUE

(By Lee M. Cohn)

South Africa is stepping up pressure on the United States to compromise on the role of gold in International Monetary Reserves.

Negotiations between the two countries here this week made little apparent progress, but Nicolaas Diederichs, South Africa's finance minister, told a news conference yesterday that there is "a greater willingless, a greater desire on the part of the Americans to come to some agreement."

U.S. officials concurred that they want to strike a bargain. They scoffed, however, at the idea that South African maneuvers have pushed the United States into a defensive position.

Gold talks took place privately during this week's joint meeting of the International Monetary Fund and the World Bank, which ended yesterday with formal approval for creation of a new kind of monetary reserves called Special Drawing Rights (SDRs).

South Africa abstained from the nearly unanimous vote for SDRs, which have been nicknamed paper gold.

The gold issue was sharpened when the United States and other leading countries last year established a two-price system, with monetary gold pegged at $35 an ounce and the price of gold for industrial and artistic use allowed to fluctuate freely on the market.

A key part of the system is the understanding that almost all newly mined gold is to be sold on the markets not to central banks or the IMF to expand monetary reserves. By compelling sales on the market, the United States hopes to hold the market price down close to $35.

Creation of SDRs supposedly will make purchases of real gold for reserves unnecessary. The importance of gold as a reserve would diminish gradually as SDRs accumulated.

But South Africa, the world's biggest producer of gold, is resisting and demanding the right to sell some of its gold to central banks and the IMF as a means of holding the market price up.

Diederichs reiterated that South Africa has sold gold to central banks despite the U.S. position that they should not buy.

Besides direct sales, Diederichs confirmed that South Africa has used IMF transactions to channel gold to central banks of some countries.

Members borrowing South African rands from the IMF, along with other currencies have converted the rands into gold on some occasions. This process helps South Africa unload gold without the risk that additional supplies may depress the market price.

Britain and France reportedly have been among the countries acquiring gold in this manner. U.S. officials played down the size and significance of these transactions, maintaining that they do not imperil the two-price gold system, but they conceded that a clear agreement on South African gold sales would help overcome "suspicions" that the two-price system might be undermined.

Diederichs indicated he believes the ability of South Africa to sell gold to central banks strengthens his bargaining position.

"I see no reason why we cannot carry on in that way," he said.

Negotiations are expected to continue through correspondence and later perhaps in meetings between U.S. and South African officials.

Treasury Secretary David M. Kennedy told a news conference the United States wants to settle the issue but is determined to protect the two-price gold system.

On another question, Kennedy predicted that the next movement of interest rates will be downward but indicated he does not expect a sharp rate decline soon.

Pierre-Paul Schweitzer, the IMF's managing director, told a news conference the two-price system has proved to be workable, and added that South Africa has had no problem in disposing of its gold.

Gold will remain "for quite a while the basic stander of the monetary system," he said.

Schweitzer indicated he has no objection to conversion of rands borrowed from the IMF into gold.

On the forthcoming increase in IMF quotas, Schweitzer said the present $21 billion total probably will be expanded by about $7 billion or $8 billion.

He said he is confident that West Germany will resume supporting the mark within 1 percent of a fixed par value as soon as possible, after temporarily letting the rate float freely in the markets.

Germany's action letting the rate float may take some of the steam out of proposals for making the currency system more flexible, he said.

AN UNEASY GERMANY AWAITS NEW DIRECTION

(By Andrew Borowiec)

BONN.—In October, the leaden sky hangs low over the federal capital. The Rhine is often shrouded by mist and the foghorns of river barges wail long and mournfully.

Outside the white-walled official residence of the federal chancellor, elite guards pace the wet grounds.

Barring an unexpected parliamentary hitch, after Oct. 20 the residence will be inhabited by Willy Brandt, the stocky, red-faced leader of the Social Democratic Party (SPD) which has formed a coalition with the small liberal Free Democratic Party (FDP) to govern West Germany.

The SPD won 224 seats of the 496 seat Bundestag (parliament) or 18 seats less than the CDU.

What put it in power was a coalition with 30 deputies of the shifty, small FDP headed by witty, debonair Walter Scheel.

After four days of bargaining, the two parties worked out an agreement to lead West Germany on a path of reform in the first left-of-the-center government of the post-war era.

Thus the so-called progressive forces triumphed in West Germany, generally supported by the younger age group tired of the quiet and on the whole unimaginative CDU leadership.

Europe, stirring everywhere and looking for new formulas to adopt its antiquated structures to the speed of the atomic age, is generally looking to the left. West Germany is no exception.

REVALUATION OF MARK

One is revaluation of the deutschemark, Europe's strongest currency. The SPD is officially pledged to a revaluation now considered a certainty.

Earlier this week, the West German government allowed the mark to fluctuate freely on world markets, stopping its intervention to support the fixed ratio to the dollar. Within the next three days, the mark shot up 6 percent in a de facto revaluation.

The situation caused difficulties for the Common Market's agricultural policy based on a complicated price support system. It provoked criticism from many quarters, including West German farmers who saw their exports threatened.

Brandt also will face problems with his ambitious promise of a more open-minded policy toward the Communist East. The aim eventually is to establish some sort of formula that would govern West Germany's coexistence with Communist East Germany and Poland, which holds former German territory east of the Oder-Neisse line.

The post-war generation wholeheartedly supports Brandt on this issue. The young Germans feel that the memories of World War II should be buried and a new page turned, particularly on Germany's Eastern policy.

But Germany is still basically fixed between pressures and counterpressures that complicate any effective increase of its influence in the East. The Brandt government can only go as far as Russia will allow.

Yet, internally, the situation is one of great promise. And, if mishandled, it can stir up a lot of dust in West Germany's relations with its Western allies, particularly with the United States.

Basically, Brandt's policy is strongly in favor of continuing the Western alliance. West Germany has to rely on the American nuclear umbrella and the presence of U.S. troops on German soil is regarded as a vital necessity.

[From the Washington Post, Oct. 5, 1969]

CLEVER GERMAN MANEUVER AIDS FLEXIBILITY DRIVE

Let's not even mention the Brazilian cruzeiro. But in the 23 months since November, 1967, the British pound and the French franc have been devalued, and now the German mark has been allowed to "float" pending an upward revaluation once a new Government takes over in Bonn. In fact, as Chancellor of the Exchequer Roy Jenkins observed, there have been 60 devaluations and three revaluations in the past 25 years since Bretton Woods.

That hardly sounds like "fixed" exchange rates, the vaunted centerpiece of the international monetary system set up at Bretton Woods in 1944.

In fact, the crisis atmosphere surrounding the recent changes in value of the pound, the franc, and the D-mark underscores the case for modernization of the existing rules, so that necessary adjustments in currency values can be made smoothly.

Moreover, the West German government, in order to let the D-mark "float"—that is, find its own level in the market—violated the rules of the International Monetary Fund which call for support of a nation's currency within 1 per cent either side of the fixed rate.

The IMF had no choice but to wink at the German violation on explicit assurances given by Bundesbank director Otmar Emminger in secret meetings last Saturday (Sept. 27) with IMF Managing Director Pierre-Paul Schweitzer that there would be a return to a stable rate for the D-mark within weeks. Karl Blessing, Bundesbank head, spoke of a revaluation between 6.5 and 8 per cent.

What all this points up, as Schweitzer is fond of saying, is that the fixed-rate system of currency parities was not intended to be rigid. True, the grand design of the monetary geniuses of 25 years ago was that it would be undesirable to change rates frequently or unnecessarily.

But no one planned that a country should stick to a rate no longer justified by its international economic balance sheet—as Germany had persisted in doing for months.

Yet, until recently, there was a tendency to defend the system as an end in itself, smoothing over each crisis with dramatic rescue operations measured in the billions. Only the much-criticized academics pointed to underlying weaknesses in the system.

What is now evident in the aftermath of the IMF and World Bank meetings here is that talk of change is suddenly respectable. It has, as French Finance Minister Valery Giscard d'Estaing put it, "a modish allure." And it has been accentuated, rather than diminished, by the clever German maneuver.

To a considerable degree, new attitudes have been stimulated by the Nixon administration's realistic approach on this matter. A speech in Bonn on April 16 by Economic Council member Hendrik Houthakker sketched out the Nixon policy, and was an important step in the subsequent dialogue that developed on "crawling pegs" and other ways of introducing flexibility into the system.

What Houthakker demonstrated, and what the speeches of many Governors here last week acknowledged, is that some flexibility is necessary to recognize actual changes in the relative strength of currencies. These differences come about because productivity growth is not the same everywhere, nor is inflation (and governmental attitudes toward inflation). And imports and exports, and the balance between them, vary from country to country.

Thus, as Houthakker pointed out in his Bonn speech, any pattern of exchange rates is bound to be rendered obsolete by the passage of time.

Common techniques to which countries resort to adjust these differences include border taxes and rebates. This creates a kind of jerry-built multiple exchange rate system, designed to protect internal industry.

"It must be feared," said Houthakker, "that a proposal to introduce border taxes as a permanent adjustment device would be a field day for various special interests . . ."

What is clear about the U.S. position calling for a study of new techniques for "limited flexibility" (even though it was not made explicit at the IMF-Bank meetings) is that it goes far beyond the particular problem of the German mark.

A minor adjustment or "crawl" of the mark was not the goal of those experts who saw a wide and growing disparity between the declining value of the franc and the growing real value of the mark. "Crawling," as one astute observer said, "is no way to catch up."

The picture is now much brighter: Once the Germans establish a new, higher and fixed rate for the mark, the probability is that the IMF will move slowly in the direction of limited rate flexibility—probably in the area of wider bands of permissible fluctuation, rather than in the better advertised "crawling pegs."

Hopefully, the major nations will "crawl" toward some solutions before being overtaken by the next big monetary crisis.

MARK ACTION YIELDS NEW HOPES FOR FUTURE

Free world financial leaders are finding a few things to cheer about, and it has been a long time since that was true.

No one is shouting very loudly as yet but there are cautious hopes that the wild, speculative currency surges of the past two years are at an end and that calmer days are ahead.

The new mood took hold last Monday,

when West Germany belatedly decided to let its disruptively powerful D-mark float to a higher value against the dollar, franc, pound and other currencies. The free world's top financial officials were gathered here for the annual meeting of the World Bank and the International Monetary Fund. Their spirits brightened steadily as the week wore on.

The German move was a climactic action. It capped a tumultuous 22-month span that had seen devaluations of the British pound and the French franc, the explosive 1968 gold panic, and four shattering monetary crises during the past year alone.

Further currency changes may be ahead. Two or three of the smaller European countries may be forced to move in the wake of the German decision and there will be mounting pressure for an increase in the price of Japan's startlingly strong yen.

But the big, worrisome changes are out of the way. There is a conviction that speculators and investors will believe in the new British, French and German rates and that the free world has the base that it needs to achieve steadily rising trade and growing prosperity.

The dollar, the D-mark, the pound and the franc could get out of line again but the hopes are that they won't and that is the main reason that the future looks better than the past.

Most of the trouble has come because the United States, Britain, and France self-indulgently have been inflating their prices and have been spending beyond their means while the Germans have kept their prices and spending under firm disciplined control.

But the United States now is showing heartening signs of ending its damaging four-year inflation. The Nixon administration and the Federal Reserve Board are saying they will hold to their tough fiscal and monetary policies until the boom is halted.

Britain at long and wonderful last appears to have turned the corner and once again is beginning to earn its way in the world. Exports are rising strongly. Imports are being curbed. A balance of payments surplus is being chalked up and Chancellor of the Exchequer Roy Jenkins this week told the financiers in Washington and the Labor Party conference at Brighton that the government will not relax its harshly restrictive program "on the threshhold of success."

France is a bigger question mark. The unions are demanding larger pay boosts than the employers can afford and there are doubts that President Pompidou's anti-inflation program is harsh enough to do the job. But Pompidou is expected to get tougher.

Germany is moving in the other direction. Prices are beginning to climb more rapidly. Workers are winning very big, very un-Germanic 10-to-14 per cent wage boosts. Price inflation is taking hold.

Inflation is not expected to go far in the Federal Republic, though. The Germans' currency has been destroyed by inflation twice during the past 50 years and the Germans hate inflation the way other people hate unemployment.

But no one has been asking the Germans to risk runaway inflation. All that anyone wants is a somewhat faster price rise in Germany and a markedly slower price rise in the U.S., Britain and France; and it is beginning to look as though it could happen that way.

[From the Washington (D.C.) Star, Oct. 2, 1969]

IMF Formally Moving To Create "Paper Gold"

(By Lee M. Cohn)

The International Monetary Fund acts today to create a new kind of money to make the financial system work more smoothly and to diminish the role of gold gradually.

Called special drawing rights (SDRs), the new money will supplement gold, dollars and other currencies in monetary reserves used to settle international accounts among central banks.

The finance ministers and central bankers from 113 countries who are attending the annual joint meeting of the IMF and the World Bank started voting yesterday on creation of SDRs. Although announcement of the result was deferred until today, it was known that the resolution carried.

The IMF will issue $3.5 billion of SDRs, nicknamed paper gold, Jan. 1, an additional $3 billion one year later and another $3 billion two years later. The United States will receive nearly one-fourth of each allocation.

SUBORDINATING GOLD

As more SDRs are issued they are expected gradually to become the biggest element in monetary reserves—pushing gold into a subordinate role. Almost all new gold is expected to go into industrial and artistic uses, not into monetary reserves.

Also scheduled for today's concluding session of the meeting was approval of a resolution directing the IMF to propose a formula for increasing its quotas of gold and currencies, which create a pool for IMF loans to countries with balance-of-payments problems:

An increase of $6 billion or $7 billion in IMF's present $21 billion quota total is expected and may go into effect about one year from now.

Nicolaas Diederichs, South Africa's finance minister, was a lonely dissenter from the broad approval of the SDR move.

Although South Africa is participating, Diederichs emphasized in a speech yesterday that he does not have "any great enthusiasm for the SDR scheme at this time."

"An increase in the official price of gold would, on balance, be preferable to an activation of special drawing rights," he said.

South Africa, the world's biggest gold producer, has been pressing without success for an increase in the $35-an-ounce monetary price of gold. Creation of SDRs is expected to minimize pressure for a gold price boost.

"NOT A SUBSTITUTE"

Disputing the prevalent anaylsis, Diederichs said creation of SDRs "does not mean that gold is being phased out," and warned that it would be "a mistake to think of SDRs as a substitute for gold."

When the leading nations established a two-price system for gold last year, they said further increases in monetary gold reserves no longer were needed.

The United States, particularly, has tried to block purchases of gold by central banks and the IMF. The objective is to compel the sale of new gold on the market, to hold its price down close to $35 an ounce.

Diederichs has been negotiating with the United States for a compromise that would permit some purchases of gold by central banks and the IMF to help support the price.

DISCUSSION ON MARK

A major topic of discussion at the meeting has been West Germany's action in temporarily letting the mark's rate "float" freely, instead of intervening in exchange markets to keep it within one percent of its 25-cent par value.

Most experts expect Germany to raise the par value after a new government is established about Oct. 20.

Karl Blessing, president of the German Central Bank, noted in a speech yesterday that the mark has traded this week at about 5 percent above par, but he offered no hints about the likely new par value.

Without saying so explicitly, Blessing implied at a news conference that an upward revaluation of the mark is a foregone conclusion.

The new par value cannot be settled, he said, until a new government works out broad economic policies on the balance of payments, border taxes and other questions.

In his speech, he indicated that revaluation of the mark may be delayed beyond Oct. 20.

PEARSON PANEL'S PROPOSALS

The highlight of Wednesday's session was the presentation of a report on the future of economic aid by a commission headed by Lester B. Pearson, former prime minister of Canada.

Acknowledging "weariness, disillusion and even rejection of economic aid, Pearson said it will be "tragic" if the aid effort is not expanded sharply in the years ahead.

The eight-man commission said economic aid by governments should increase from about four-tenths of 1 percent of the gross national product of donor countries to seven-tenths of 1 percent by 1975.

Major recommendations by the commission included proposals to: Stop linking economic aid to political considerations and alliances; remove trade barriers that restrict exports by underdeveloped countries; shift more aid to a multi-lateral basis through such agencies as the International Development Association.

Others were to: Increase contributions to the IDA from $400 million a year now to $1.5 billion by 1975; lower interest rates charged by the World Bank through a subsidy system (a portion of interest paid on bilateral aid loans would finance the subsidies); push harder through research and other programs to control the population boom in underdeveloped countries.

[From the Washington Post, Oct. 3, 1969]

Doubling of Aid Is Proposed for Poorer Nations

(By A. D. Horne)

A high-powered international commission headed by former Canadian Prime Minister Lester B. Pearson has urged a virtual doubling of foreign aid to the underdeveloped nations, with the goal of stimulating their economies to a growth rate of 6 percent a year.

This average increase—1 per cent above the level attained by 70 developing nations during the 1960s—"would transform the economic outlook" in these countries, the Commission on International Development declared in a 400-page report presented Wednesday at the annual meeting of the World Bank.

If world aid levels can be brought to 0.70 percent of the industrialized nations' gross national products by 1975—to an estimated total of $16.2 billion, compared to $6.4 billion at last year's level of 0.39 per cent—most developing nations could achieve "self-sustaining growth" without further aid by the year 2000, the Commission predicted.

The commission's aid target would require a 180-degree turn for the United States, which provided development aid of $3.3 billion, or 0.38 per cent of GNP, last year including Food for Peace. By 1975, the commission estimated, U.S. official aid should be $8.2 billion, a vast expansion over President Nixon's $2.2 billion request now being cut by Congress.

The commission acknowledged widespread frustration over foreign aid has "reached a point of crisis." But it said the record of the past two decades proved the effort worthwhile. And it urged that trade and investment policies be integrated into a single "strategy for the strengthening of international cooperation for development."

Among its 68 formal recommendations and many additional suggestions, the commission called for:

Elimination of tariffs and quotas in the rich nations on imports of products on which developing nations depend for export earnings.

Removal of balance-of-payments restrictions that keep international capital out of developing nations.

Establishment of "new multilateral group-

ings" to join aid donors and recipients in annual reviews of each other's development performance.

A return to softer loan terms, with a 2 per cent interest ceiling, 25-to-40-year maturity and 7-to-10-year grace periods.

A multilateral effort to scrap regulations which have tied some 85 per cent of aid to purchases in the donor countries.

Doubling, to 20 per cent, the share of aid channeled through multinational agencies.

Expansion of the soft-loan International Development Association to a $1.5-billion-a-year level by 1975.

Commitment of at least one-half of the industrialized nations' incoming interest payments on past development loans to a new fund that would subsidize World Bank loan rates (now at 7 per cent).

UPSTATE NEW YORK REACTS TO GOODELL BUG-OUT RESOLUTION

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, I took issue with the junior Senator from New York (Mr. GOODELL) when he proposed that Congress legislate that all American troops be out of Vietnam by December 1970. Not only did I take issue with the wisdom of his proposal, but I said I was certain it did not represent the thinking of a majority of the people of New York State.

To support that contention I include here a sampling of editorials from upstate New York newspapers, the Binghamton Press of September 30, the Oneonta Star of October 1, and Amsterdam Evening Recorder of October 1.

The editorials follow:

[From the Binghamton (N.Y.) Press, Sept. 30, 1969]

GOODELL'S "EASY WAY"

New York Senator Charles Goodell's prescription for getting the U.S. out of Vietnam is cheap political quackery.

It is the proposal of either a fool or an opportunist. Since the senator is a bright man, he stands tagged as a demagogue.

The senator proposes to legislate the nation out of Vietnam. His bill would require all American troops to be withdrawn by Dec. 1, 1970.

President Nixon said that the senator's idea was well meant, but not very smart.

We would put it the other way around. It was a very smart move, from a political point of view, for a senator whose name has not exactly become a household word since he was named last year to fill the vacancy created by the death of Robert Kennedy.

As for being well meant, that depends on how one looks at it. The senator meant to boost his chances for election next year, and it is possible that he did so, by the simple expedient of taking a position that presumably would have a wide public appeal.

The senator makes it sound so easy: Follow his advice and the war would be over, in 14 months yet, and to blazes with the consequences.

If there were any genuine merit to the Goodell plan to put a time limit on Vietnam, one wonders why the 14-month delay? Why not make Dec. 1, 1969 the cutoff date, if the logistics are feasible?

If we are going to quit, in other words, then let's quit, right away. There is no point in prolonging the agony. Never mind the 38,728 dead and the 252,059 wounded.

Never mind what might happen to the millions of South Vietnamese who chose for one reason or another to ally themselves with us. Never mind whether the United States would ever be believed again.

These are only some of the tough questions that Senator Goodell would ignore with his easy way out.

The circle would be complete at that. It was by ignoring tough questions, after all, that we blundered into Vietnam, and those who insist on trying to get out the same way are only making a bad matter worse.

There is no easy way out of Vietnam. President Nixon has chosen the least damaging course, but even that is beyond reach so long as Hanoi refuses to negotiate seriously.

The North Vietnamese are not so foolish as to negotiate a compromise so long as there seems a chance that public pressure on the President could force him to withdraw all U.S. forces.

Senator Goodell may have served himself well with his play to the gallery, but he has served his country ill.

[From the Oneonta (N.Y.) Star, Oct. 1, 1969]

GOODELL'S PLEA UNREALISTIC NOW

Sen. Charles Goodell's call for complete withdrawal of American troops from Vietnam by 1970 should please hawk and dove alike.

Almost every American—except some high-ranking military brass—wants the United States out of this unpopular war which can't be won.

But is Sen. Goodell realistic? If America were to arbitrarily set 1970 as the date for complete withdrawal, what would be the use of any talks in Paris? The Viet Cong and North Vietnamese would realize that there is no hope of ending the war any sooner so they would mount all out military drives. This is not the path to peace. Without a definite date set, there can still be meaningful negotiations in Paris. What's the use of playing poker when you not only have a losing hand but a no-bluff hand too?

While Sen. Goodell's motives may be the best, we question his statements at this time.

Don't forget, Mr. Goodell was considered a conservative congressman until he was appointed to Sen. Kennedy's Senate seat. Almost overnight he became a liberal and he realizes that his short term in office and his campaign for election next year lack luster.

The best way to inject luster into any campaign is through headlines. And last week Sen. Goodell showed he was adept at this. He grabbed headlines when he called for complete withdrawal by 1970. And his statements were given extra press coverage when they drew rebuttals by President Nixon and by Gov. Rockefeller.

As one columnist put it this week: Goodell has learned the fine arts of press agentry.

But the question remains: why stymie our negotiators in Paris, our state department and our military by telegraphing to the enemy what we are going to do by what time?

[From the Amsterdam (N.Y.) Evening Recorder, Oct. 1, 1969]

ENCOURAGING THE ENEMY

There is something to be said for Senator Charles E. Goodell's proposal to require that all American troops be withdrawn from Vietnam by the end of 1970. That some such plan is needed is beyond dispute. There is strong demand for an end to this conflict and it calls for more than a mere response to events.

The question is whether setting a fixed withdrawal deadline as recommended by Goodell would be the wisest course. The doubts promptly expressed by President Nixon, Secretary of Defense Laird and others ought to be weighed with great care.

Opponents of the Goodell plan fear that congressional enactment of such legislation would be interpreted as reflecting lack of support for the President—or at any rate lack of confidence that Administration efforts are bringing the war to an end as rapidly as possible. They fear that it would encourage Hanoi to simply wait out our scheduled troop withdrawal, meanwhile dragging its heels at the Paris peace talks.

Goodell argues that in the absence of a definite plan "the assumption under which the military is now operating will probably keep us fighting for years." That may be so, but a flat troop-withdrawal deadline is not the only alternative. Whatever plan is adopted, it should not be so inflexible as to permit the enemy to call all the shots.

WITHDRAW FROM VIETNAM NOW

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, I want to make it clear that in cosponsoring a resolution to support the President's withdrawal of U.S. troops from Vietnam, I do not endorse the current speed with which American troops are being brought back home. I feel that such a resolution is useful in indicating approval of the fact that some troops have been brought back, but I still feel that immediate and total withdrawal of all American forces is an urgent priority.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CAREY of New York (at the request of Mr. HANLEY), for the week of October 6, 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. HOLIFIELD, for 30 minutes, today; to revise and extend his remarks and include extraneous matter.

Mr. BUSH (at the request of Mr. HANSEN of Idaho), for 15 minutes, on October 13; to revise and extend his remarks and include extraneous matter.

Mr. FARBSTEIN (at the request of Mr. STOKES), for 20 minutes, today; to revise and extend his remarks and include extraneous matter.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MADDEN in two instances and to include extraneous material.

Mr. RANDALL to revise and extend his remarks prior to the vote on H.R. 13576 and H.R. 372.

Mr. DON H. CLAUSEN to revise and extend his remarks in the body of the RECORD during the presentation of the resolution by Mr. FINDLEY and other Members.

Mr. HOLIFIELD and to include an editorial from the Anchorage Daily Times of October 3.

Mr. OLSEN immediately preceding the vote on H.R. 14127, today.

(The following Members (at the request of Mr. HANSEN of Idaho) and to include extraneous matter:)

Mr. CONTE.

Mr. ASHBROOK.
Mr. HALL.
Mr. QUIE.
Mr. UTT.
Mr. SCHWENGEL.
Mr. GUBSER in two instances.
Mr. MCCLORY.
Mr. WYMAN in two instances.
Mr. RHODES in five instances.
Mr. DERWINSKI in two instances.
Mr. FULTON of Pennsylvania in five instances.
Mr. TALCOTT in two instances.
Mr. DELLENBACK in two instances.
Mr. COUGHLIN.
Mr. GUDE.
Mr. BROYHILL of Virginia.
Mr. SAYLOR in two instances.
Mr. GOLDWATER.

(The following Members (at the request of Mr. STOKES) and to include extraneous matter:)

Mr. CORMAN.
Mr. O'HARA in two instances.
Mr. DINGELL in three instances.
Mr. KLUCZYNSKI.
Mr. GONZALEZ in two instances.
Mr. OTTINGER.
Mr. RARICK in three instances.
Mr. ROONEY of New York.
Mr. EVINS of Tennessee.
Mr. ANDERSON of California in two instances.
Mr. BROWN of California in two instances.
Mr. ROONEY of Pennsylvania in four instances.
Mr. VANIK in two instances.
Mr. TEAGUE of Texas in eight instances.
Mr. EILBERG.
Mr. FRASER in four instances.
Mr. MINISH in two instances.
Mr. TIERNAN.
Mr. WOLFF.
Mr. HATHAWAY in three instances.
Mr. PICKLE.
Mrs. HANSEN of Washington in three instances.
Mr. CHARLES H. WILSON.
Mr. ASHLEY.
Mrs. SULLIVAN in two instances.

ENROLLED JOINT RESOLUTION SIGNED

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 851. Joint resolution requesting the President of the United States to issue a proclamation calling for a "Day of Bread" and "Harvest Festival."

ADJOURNMENT

Mr. STOKES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 13 minutes p.m.), the House adjourned until tomorrow, Tuesday, October 7, 1969, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1217. A letter from the Chief, Forest Service, Department of Agriculture, transmitting a copy of the river plan for the middle fork of the Clearwater River, including the Lochsa and Selway Rivers in Idaho, pursuant to the provisions of subsection 3(b) of the Wild and Scenic Rivers Act (82 Stat. 906–918) (H. Doc. No. 91–169); to the Committee on Interior and Insular Affairs and ordered to be printed, with illustrations.

1218. A letter from the Chief, Forest Service, Department of Agriculture, transmitting a copy of the river plan for a segment of the Rogue River in Oregon, pursuant to the provisions of subsection 3(c) of the Wild and Scenic Rivers Act (82 Stat. 906–918) (H. Doc. No. 91–170); to the Committee on Interior and Insular Affairs and ordered to be printed, with illustrations.

1219. A letter from the Chief, Forest Service, Department of Agriculture, transmitting a copy of the river plan of the middle fork of the Salmon River, pursuant to the provisions of subsection 3(b) of the Wild and Scenic Rivers Act (82 Stat. 906–918) (H. Doc. No. 91–171); to the Committee on Interior and Insular Affairs and ordered to be printed, with illustrations.

1220. A letter from the Secretary of the Army, transmitting the semiannual report of Department of the Army contracts for military construction awarded without formal advertisement, for the period January 1 through June 30, 1969, pursuant to the provisions of section 804 of Public Law 90–408; to the Committee on Armed Services.

1221. A letter from the Comptroller General of the United States, transmitting a report on the need to improve and relocate internal audit activities in the Veterans' Administration; to the Committee on Government Operations.

1222. A letter from the Assistant Secretary of the Interior, transmitting a copy of an application by the Lakeside irrigation water district, Hanford, Calif., for a loan under the Small Reclamation Projects Act (70 Stat. 1044, as amended, 71 Stat. 48), pursuant to the provisions of section 4(c) of the act; to the Committee on Interior and Insular Affairs.

1223. A letter from the Chairman, Indian Claims Commission, transmitting a report that an order dismissing case was entered by the Commission with respect to Docket No. 170, *The Pascagoula, Biloxi and Mobilian Consolidated Band of Indians, petitioners,* v. *The United States of America, defendant,* pursuant to the provisions of 60 Stat. 1055; 25 U.S.C. 70t; to the Committee on Interior and Insular Affairs.

1224. A letter from the Chairman, Indian Claims Commission, transmitting a report that an order dismissing petition was entered by the Commission with respect to Docket No. 236–J, *Gila River Pima-Maricopa Indian Community, etc., plaintiff* v. *The United States of America, defendant,* pursuant to the provisions of 60 Stat. 1055; 25 U.S.C. 70t; to the Committee on Interior and Insular Affairs.

1225. A letter from the Assistant Secretary of Commerce, transmitting a report on claims of employees for damage to or loss of personal property sustained by them incident to their service settled during fiscal year 1969, pursuant to the provisions of 31 U.S.C. 240–243; to the Committee on the Judiciary.

1226. A letter from the Director, U.S. Information Agency, transmitting a report of claims settled under the authority of section 3 of the Military Personnel and Civilian Employees' Claims Act of 1964 for the period September 1, 1968, through August 31, 1969, pursuant to the provisions of the act; to the Committee on the Judiciary.

1227. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to the provisions of section 204(d) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

1228. A letter from the treasurer, American Historical Association, transmitting the organization's audit for fiscal year 1969, pursuant to the provisions of section 3 of Public Law 88–504; to the Committee on the Judiciary.

1229. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting various plans for works of improvement under the Watershed Protection and Flood Control Act, as amended (16 U.S.C. 1005), none of which involves a structure which provides more than 4,000 acre feet of total capacity; to the Committee on Agriculture.

1230. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting various plans for works of improvement under the Watershed Protection and Flood Control Act, as amended (16 U.S.C. 1005), each of which involves a structure which provides more than 4,000 acre feet of total capacity; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

(Pursuant to the order of the House on October 3, 1969, the following bill was reported on October 4, 1969.)

Mr. PATMAN: Committee on Banking and Currency. H.R. 14127. A bill to carry out the recommendations of the Joint Commission on the Coinage, and for other purposes (Rept. No. 91–549). 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. BRAY:

H.R. 14199. A bill to encourage the growth of international trade on a fair and equitable basis; to the Committee on Ways and Means.

By Mr. DINGELL:

H.R. 14200. A bill to strengthen the penalty provisions of the Gun Control Act of 1968; to the Committee on the Judiciary.

By Mr. DUNCAN:

H.R. 14201. A bill to amend the Communications Act of 1934 so as to prohibit the granting of authority to broadcast pay television programs; to the Committee on Interstate and Foreign Commerce.

By Mr. ERLENBORN (for himself, Mr. ADAIR, Mr. HUNGATE, Mr. MYERS, and Mr. PRICE of Texas):

H.R. 14202. A bill to protect the privacy of the American home from the invasion by mail of sexually provocative material, to prohibit the use of the U.S. mails to disseminate material harmful to minors, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. GIAIMO:

H.R. 14203. A bill to prohibit the use of channels of interstate or foreign commerce, including the mails, for the distribution of certain material which is harmful to minors; to the Committee on the Judiciary.

By Mr. MESKILL:

H.R. 14204. A bill to encourage the growth of international trade on a fair and equitable basis; to the Committee on Ways and Means.

By Mr. MIKVA:

H.R. 14205. A bill to amend title 38, United States Code, in order to increase the rate of educational assistance allowances to vet-

erans who are simultaneously participating in certain teaching assistance programs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. PURCELL (for himself and Mr. CULVER):

H.R. 14206. A bill to improve farm income and insure adequate supplies of agricultural commodities by extending and improving certain commodity programs; to the Committee on Agriculture.

By Mr. STAGGERS:

H.R. 14207. A bill to encourage the growth of international trade on a fair and equitable basis; to the Committee on Ways and Means.

By Mr. TIERNAN:

H.R. 14208. A bill to amend section 4005 of title 39, United States Code, to restore to such section the provisions requiring proof of intent to deceive in connection with the use of the mails to obtain money or property by false pretenses, representations, or promises; to the Committee on Post Office and Civil Service.

By Mr. VANDER JAGT:

H.R. 14209. A bill to amend chapter 44 of title 18, United States Code, to provide that such chapter shall not apply with respect to the sale or delivery of certain ammunition for rifles or shotguns; to the Committee on the Judiciary.

By Mr. WATSON:

H.R. 14210. A bill to amend title 28, United States Code, to establish certain qualifications for persons appointed as judges or justices of the United States; to the Committee on the Judiciary.

By Mr. WIDNALL:

H.R. 14211. A bill to amend title XVIII of the Social Security Act to provide payment for chiropractors' services under the program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. POLLOCK:

H.R. 14212. 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. THOMPSON of New Jersey:

H.R. 14213. A bill to amend sections 5580 and 5581 of the Revised Statutes to provide for additional members of the Board of Regents of the Smithsonian Institution; to the Committee on House Administration.

By Mr. DEVINE:

H.J. Res. 922. Joint resolution to designate Route 70 of the National System of Interstate and Defense Highways as the Eisenhower Memorial Highway; to the Committee on Public Works.

By Mr. BROTZMAN (for himself, Mr. DENNEY, Mr. FRIEDEL, Mr. COWGER, Mr. WEICKER, Mr. DIGGS, Mr. WOLD, Mr. NELSEN, Mr. CARTER, and Mr. LOWENSTEIN):

H.J. Res. 923. Joint resolution providing for the display in the Capitol Building of a portion of the moon; to the Committee on House Administration.

By Mr. BOLAND:

H. Con. Res. 398. Concurrent resolution expressing the sense of the Congress relating to the withdrawal of U.S. Forces from South Vietnam; to the Committee on Foreign Affairs.

By Mr. FINDLEY (for himself, Mr. ADAMS, Mr. ADDABBO, Mr. ANDREWS of North Dakota, Mr. ASHLEY, Mr. BEALL of Maryland, Mr. BOLAND, Mr. BRASCO, Mr. BROOMFIELD, Mr. BROTZMAN, Mr. BROWN of Ohio, Mr. BUSH, Mr. BUTTON, Mr. BYRNES of Wisconsin, Mr. CARTER, Mr. DON H. CLAUSEN, Mr. COHELAN, Mr. COLLIER, Mr. CONABLE, Mr. CONTE, Mr. CONYERS, Mr. COWGER, Mr. CULVER, Mr. CUNNINGHAM, and Mr. DELLENBACK):

H. Res. 564. Resolution concerning withdrawals from Vietnam; to the Committee on Foreign Affairs.

By Mr. FINDLEY (for himself, Mr. VAN DEERLIN, Mr. WHALEN, Mr. CHARLES H. WILSON, Mr. WINN, Mr. WOLD, Mr. WYDLER, Mr. YATRON, Mr. ZWACH, Mr. CLARK, and Mrs. HANSEN of Washington):

H. Res. 565. Resolution concerning withdrawals from Vietnam; to the Committee on Foreign Affairs.

By Mr. THOMSON of Wisconsin (for himself, Mr. OLSEN, Mr. PELLY, Mr. PERKINS, Mr. PODELL, Mr. PREYER of North Carolina, Mr. QUIE, Mr. REES, Mr. REID of New York, Mr. ROBISON, Mr. ROGERS of Colorado, Mr. SCHADEBERG, Mr. SCHNEEBELI, Mr. SCHWENGEL, Mr. SHRIVER, Mr. SMITH of New York, Mr. SNYDER, Mr. STAFFORD, Mr. STANTON, Mr. STEIGER of Wisconsin, Mr. SYMINGTON, Mr. TAFT, Mr. THOMPSON of New Jersey, Mr. UDALL, and Mr. ULLMAN):

H. Res. 566. Resolution concerning withdrawals from Vietnam; to the Committee on Foreign Affairs.

By Mr. HUNGATE (for himself, Mr. DIGGS, Mr. DONOHUE, Mr. DUNCAN, Mrs. DWYER, Mr. EILBERG, Mr. ESHLEMAN, Mr. FISH, Mr. FLYNT, Mr. FOLEY, Mr. FRIEDEL, Mr. GALLAGHER, Mrs. GREEN of Oregon, Mrs. GRIFFITHS, Mr. GUDE, Mr. HALPERN, Mr. HANSEN of Idaho, Mr. HASTINGS, Mr. HATHAWAY, Mr. HECHLER of West Virginia, Mr. HICKS, Mr. HOGAN, Mr. HORTON, and Mr. HUTCHINSON):

H. Res. 567. Resolution concerning withdrawals from Vietnam; to the Committee on Foreign Affairs.

By Mr. O'NEILL of Massachusetts (for himself, Mr. JOHNSON of California, Mr. JONAS, Mr. KLEPPE, Mr. LANGEN, Mr. LATTA, Mr. LOWENSTEIN, Mr. LUJAN, Mr. MCCLORY, Mr. MCCLOSKEY, Mr. MCDADE, Mr. MACDONALD of Massachusetts, Mr. MACGREGOR, Mr. MARTIN, Mr. MATSUNAGA, Mr. MELCHER, Mr. MESKILL, Mr. MICHEL, Mr. MIKVA, Mr. MINISH, Mr. MIZE, Mr. MONAGAN, Mr. MORSE, Mr. MOSHER, and Mr. NELSEN):

H. Res. 568. Resolution concerning withdrawals from Vietnam; to the Committee on Foreign Affairs.

By Mr. BROWN of California:

H. Res. 569. Resolution relative to the antitrust case brought against the automobile manufacturers; 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:

273. By the SPEAKER: Petition of R. F. Nichols, Los Angeles, Calif., and others, relative to $100 monthly pensions for veterans of World War I; to the Committee on Veterans' Affairs.

274. Also, petition of the board of supervisors, Sutter County, Calif., relative to funding for the Army Corps of Engineers flood control program for fiscal year 1970–71; to the Committee on Appropriations.

275. Also, petition of the board of supervisors, Yuba County, Calif., relative to funding for the Army Corps of Engineers flood control program for fiscal year 1970–71; to the Committee on Appropriations.

276. Also, petition of the American Association of Workers for the Blind, Inc., Washington, D.C., relative to vocational and personal rehabilitation services to the blind and visually impaired; to the Committee on Education and Labor.

277. Also, petition of Henry Stoner, York, Pa., relative to a memorial to the late Honorable Thaddeus Stevens; to the Committee on House Administration.

278. Also, petition of the Congress of Micronesia, Trust Territory of the Pacific Islands; relative to the use of Eniwetok Atoll; to the Committee on Interior and Insular Affairs.

279. Also, petition of Banner Council No. 39, Junior Order United American Mechanics, Louisville, Ky., relative to display of the American flag in public school classrooms; to the Committee on the Judiciary.

280. Also, petition of the Imperial Valley Grocers Alliance, El Centro, Calif.; relative to "Operation Intercept"; to the Committee on Ways and Means.

281. Also, petition of the city council, Worcester, Mass., relative to Federal revenue sharing; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

ONE THOUSAND SLOVAK PILGRIMS VISIT ROME

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 6, 1969

Mr. MADDEN. Mr. Speaker, during the week of September 13 of this year Slovaks from many countries throughout the world visited Rome in a united group. They also visited Pope Paul VI at his summer palace, Castel Gandolfo in observance of the 1,100th anniversary of the blessed death of St. Cyril. The memory of St. Cyril was eulogized in the U.S. Senate by Senator J. WILLIAM FULBRIGHT, chairman of the Foreign Affairs Committee, on June 5, 1969.

Pope Paul, in addressing the gathering, welcomed the Slovak pilgrims in their native tongue and exhorted them to be faithful to the Christian tradition.

Constantine the Philosopher, the Slovak educator, was the creator of the Slavic script and was generally known after his adopted name of Cyril, which is a contraction of Cyrilica.

Mr. Speaker, I include a newsstory of the pilgrimage which was submitted to me by John C. Sciranka, associate editor of Good Shepherd, the official organ of the Catholic Slovak Federation of America.

Bishop Andrew G. Grutka, of Gary, Ind., and Bishop Michael Rusnak, of Toronto, Canada, spoke at the mass gathering honoring Pope Paul VI at his summer home.

The newsstory follows:

POPE PAUL VI EXHORTS SLOVAK PILGRIMS IN ROME TO BE FAITHFUL TO THEIR CHRISTIAN TRADITIONS

On September 13, 1969 Pope Paul VI received over 1,000 Slovak pilgrims at his Summer residence, Castel Gandolfo, who came to the Eternal City to pay tribute to St. Cyril on the 1,100 anniversary of his blessed death. The Holy Father exhorted the pilgrims to be faithful to their tradition, fearless in their convictions and united in their acts of charity.

"This is the exhortation I want to leave