one where the price of oil products is concerned. Would the average American really consider it so much of a boon if the oil companies paid more in Federal taxes and raised the price of his gasoline a nickel a gallon? What will he say if it costs him more to heat his house?

Mr. President, I believe that the American consumer, when he discovers the alternatives, will agree with me when I say that this argument over depletion is a classic case of the wisdom of the old saw: Let well enough alone.

ORDER OF BUSINESS

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

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). The clerk will call the roll.

The bill 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 President, I ask unanimous consent that the order for the quorum call be rescinded.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 (Mr. HANSEN in the chair). Without objection, it is so ordered.

PROGRAM

Mr. BYRD of West Virginia. Mr. President, for the information of Senators, the pending business is H.R. 11959, the Veterans' Education and Training Assistance Amendments Act of 1969. This measure will become the unfinished business on tomorrow.

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD of West Virginia. It is hoped that action can be completed on this meausre tomorrow, thus allowing the Senate to go over until Monday next.

ADJOURNMENT

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

The motion was agreed to; and (at 6 o'clock and 8 minutes p.m.) the Senate adjourned until tomorrow, Thursday, October 23, 1969, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate October 22, 1969:

FEDERAL RESERVE SYSTEM

Arthur F. Burns, of New York, to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years from February 1, 1970, vice William McChesney Martin, Jr., term expiring.

DIPLOMATIC AND FOREIGN SERVICE

Lewis Hoffacker, of the District of Columbia, whom I nominated on October 13, 1969, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Cameroon, to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Equatorial Guinea.

WITHDRAWAL

Executive nomination withdrawn from the Senate October 22, 1969:

U.S. CIRCUIT JUDGE

Charles A. Bane, of Illinois, to be U.S. circuit judge for the Seventh Circuit, Vice Elmer J. Schnackenberg, deceased, which was sent to the Senate on May 28, 1969.

HOUSE OF REPRESENTATIVES—*Wednesday, October 22, 1969*

The House met at 12 o'clock noon.

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

Blessed are they who observe justice and who do righteousness at all times.—Psalm 106: 3.

We come to Thee, our Father, voicing the aspirations of our hearts in prayer, endeavoring to become aware of Thy presence, and seeking strength and wisdom for the tasks of this troubled time. During the pressure of daily duties we often forget Thee and in so doing we stifle the nobler impulses of our human nature. In this moment of prayer we would regain the feeling of our kinship with Thee. Help us to keep alive the sense of Thy spirit amid the labors of this day.

Enrich the life of our Nation with righteousness and truth. Make us equal to our high tasks, reverent in the use of freedom, just in the exercise of power, generous in the protection of weakness, and genuine in the spreading of good will: to the glory of Thy holy name. Amen.

THE JOURNAL

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

MESSAGE FROM THE SENATE

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

H.R. 2768. An act to amend title 38 of the United States Code in order to eliminate the 6-month limitation on the furnishing of nursing home care in the case of veterans with service-connected disabilities; and

H.R. 3130. An act to amend title 38, United States Code, to provide that the Administrator of Veterans' Affairs may furnish medical services for non-service-connected disability to any war veteran who has total disability from a service-connected disability.

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

H.R. 693. An act to amend title 38 of the United States Code to provide that veterans who are 72 years of age or older shall be deemed to be unable to defray the expenses of necessary hospital or domiciliary care, and for other purposes;

H.R. 9334. An act to amend title 38, United States Code, to promote the care and treatment of veterans in State veterans' homes;

H.R. 9634. An act to amend title 38 of the United States Code in order to improve and make more effective the Veterans' Administration program of sharing specialized medical resources; and

H.R. 13763. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1970, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 13763) entitled "An act making appropriations for the legislative branch for the fiscal year ending June 30, 1970, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MONTOYA, Mr. PROXMIRE, Mr. YARBOROUGH, Mr. PEARSON, and Mr. COTTON to be conferees on the part of the Senate.

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

S. 1279. An act to create a rebuttable presumption that a disability of a veteran of any war or certain other military service is service connected under certain circumstances.

SPEAKER McCORMACK

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

Mr. HÉBERT. Mr. Speaker, this is for the record. Today I received a call from a newspaperman who was writing a story about Speaker JOHN MCCORMACK. He asked me my evaluation of him. My unhesitating reply was:

If John McCormack has any fault, that fault is being a Congressman's Speaker and that is exactly what he is. I have never known a more compassionate, understanding, accommodating individual in all these years that I have been in the Congress.

It irks me no end to hear snide remarks and read comments in the news media by some not worthy to polish his boots. Undoubtedly, criticism is a part of the game, but unfair and unjust innuendo is an assassin of character. JOHN MCCORMACK has stood the test of time in public life and the white toga which drapes his shoulders is as immaculate today as the day he first wore it.

I am glad I know JOHN MCCORMACK. I am glad JOHN MCCORMACK is Speaker of this body. I am glad I can call him a friend in whose debt I am. I am proud to pay tribute to JOHN MCCORMACK and to say to him, "I salute you, sir. You are indeed a great American."

REMARKS IN TRIBUTE TO SPEAKER McCORMACK

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

Mr. KLUCZYNSKI. Mr. Speaker, the author of the Book of Proverbs writes:

The just man walketh in his integrity.

I can think of no more appropriate phrase to describe the life and charac-

ter of the distinguished Speaker of this House than these words from the venerable Hebrew Bible. It is very easy, in the agitation generated by newspaper headlines, to permit our judgment and experience to be momentarily confused. Happily, those of us who have worked closely through the years with the Speaker in the deliberations of this House are most deeply aware of those qualities of mind and heart which mark his public and private life alike. He has played a crucial role in the effecting of major decisions and policies shaping the destiny of this Nation and thus of the world at large. He has served his country with distinction, with honor, and with quiet dignity.

I believe that this is the time for those of us who best know these things to declare them, and to assure the Speaker—were such assurance needed, which it surely is not—of our heartfelt respect for and loyalty to him. He has borne immense burdens and discharged awesome responsibilities with tact, with fairness, and with consideration. We share the distress which he must feel during this difficult time. But, more significantly, we share that pride in duty honorably, patiently, and skillfully fulfilled, and we pray for him many future years of dedicated service to the common good.

REPRESENTATIVE GOODLING IN NO WAY ASSOCIATED WITH REVOKING TONKIN GULF RESOLUTION

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

Mr. GOODLING. Mr. Speaker, in the October 17 issue of the Congressional Quarterly, on page 1976, this statement appears in the lower left-hand corner:

> In preparation—a House concurrent resolution by McCloskey (R., Calif.), Button (R., N.Y.) and Goodling (R., Pa.), revoking Tonkin Gulf Resolution Dec. 31, 1970, unless Congress by concurrent resolution decides otherwise.

I want the membership of this House to know I was in no way associated with this resolution nor do I subscribe to its intent.

When a fighter steps into the ring his handlers do not tie his hands behind his back. While I yield to no one in my desire to end the Vietnam conflict, honorably, at the earliest possible moment, I want no part of any plan that proposes to tie the hands of the President to a timetable.

I have asked that the Congressional Quarterly correct this misstatement in its next issue. I have been assured this will be done.

A LETTER FROM A FIGHTING MAN IN VIETNAM IN SUPPORT OF PRESIDENT NIXON'S EFFORT TO END THE WAR

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

Mr. BEALL of Maryland. Mr. Speaker, amidst all of the talk and conversation about the war in Vietnam, I think it appropriate to read at this time a letter that I have received from one of my constituents who is fighting in that part of the world. I think his remarks are most pertinent. His letter is as follows:

DEAR SIR: I am writing you not only as one of your constituents, but also as an American, fighting in the Republic of Vietnam. I am an Infantry combat platoon leader with a little over one month time in country. I want to inform you of not only my personal feelings, but also of the attitude and feelings of the men under my command.

We have all come to do our job in ending this war with nothing less than a victory for freedom. I urge you to give your full support to President Nixon in his efforts to end this war. I have worked with the Vietnamese Army, and I can honestly say that they have been pulling their share of the load since I've been here. The term "Vietnamization" is becoming a reality here.

In no way am I asking you to ignore the protestors. The right to protest is a part of our continual struggle to maintain true freedom. I do ask though that you examine the motives of those that protest this war and weigh them against our desire to complete our job here, and return to our free nation.

We desire that our President be given a fair chance to end this conflict. We have a great amount of confidence in his ability to lead our nation forward, and out of our present troubles. We feel he can and will, if he is given the support back home that he is receiving here.

Thank you.

——— ———.

HONORING THE NATION'S WORKING WOMEN

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

Mr. QUILLEN. Mr. Speaker, during the week of October 19 to 25, the National Federation of Business and Professional Women's Clubs, Inc., will honor the Nation's working women with the observance of National Business Women's Week.

The State of Tennessee is proud to have 81 BPW clubs with 3,183 outstanding members. We are especially honored to claim as our own, Osta Underwood, Nashville, as first vice president of the national federation.

The 180,000 members of the national federation represent every State in the Union, the District of Columbia, the Virgin Islands, and Puerto Rico.

These federation members will lead the observance of National Business Women's Week. They realize the vital contributions that working women make to the Nation's economy. BPW's goals; to elevate the standards, promote the interests, bring about a spirit of cooperation, and to extend the opportunities for all business and professional women who epitomize the very foundation on which this Nation was built.

To implement these goals, the National Federation has set forth a bold legislative platform for 1969–70 designed to further the interests of all working women, including tax reform, uniform jury service qualifications for men and women, and amendments to the present Social Security Act.

I applaud these objectives and urge my colleagues, in praise of the federation's impressive efforts for the past 50 years, and in recognition of all working women, to pause to give thought to the accomplishments of our Nation's employed women as they observe National Business Women's Week.

THE ADMINISTRATION'S OCCUPATIONAL SAFETY AND HEALTH ACT

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

Mr. LANDGREBE. Mr. Speaker, President Nixon recently sent to Congress comprehensive and long-overdue occupational safety and health legislation. Despite all that industry, labor, and government—State and Federal—have done in this century, 14,000 American workers are killed on the job every year, 2 million more are disabled, and 250 million man-days of production are lost to the economy—five times more than from strikes. And work injury rates are rising.

This bill creates a top echelon board of five, appointed by the President, to develop and promulgate national safety and health standards, as well as utilize voluntary standards already developed by representatives of industry, labor, and government.

Historically, safety and health laws in this country have been State laws. So this bill provides Federal grants up to 90 percent for States to plan improvements in their own standards, administrative procedures, employee training, and research and statistics. Thereafter, the bill provides Federal grants up to 50 percent to assist States in administering these improved safety programs.

The bill also recognizes the need for research, especially into the prevention of occupational disease, and for more professionally trained personnel.

This comprehensive approach toward a solution of this growing national problem deserves the support of every Member of the Congress.

APPOINTMENT OF CONFEREES ON S. 1857, NATIONAL SCIENCE FOUNDATION AUTHORIZATION ACT, 1970

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1857) authorizing appropriations for activities of the National Science Foundation pursuant to Public Law 87–507, as amended, with House amendments thereto, insist on the House amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. MILLER of California, DADDARIO, DAVIS of Georgia, BROWN of California, FULTON of Pennsylvania, BELL of California, and MOSHER.

HEARINGS ON INTERNATIONAL EXECUTIVES, H-VISAS, AND FIANCEES

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

Mr. FEIGHAN. Mr. Speaker, the Immigration and Nationality Subcommittee of the Committee on the Judiciary has scheduled hearings to commence on October 27, 1969, in room 2141, Rayburn House Office Building, at 10:30 a.m. and to be continued in room 2141, Rayburn House Office Building, on October 28, 1969, at 10 a.m.

These hearings continue the series begun on October 6, 1969, to examine the subjects of temporary admission of specialist personnel and executives, the temporary admission of workers to fill jobs permanent in nature when the domestic labor force is unable to supply needed workers, and the temporary admission of fiancees and fiances of U.S. citizens.

Officials from the Department of Labor will testify on October 27 and officials from the Department of Justice on October 28.

Additional hearings will be scheduled early in November at which the AFL-CIO, the National Foreign Trade Council, U.S. corporations conducting international business, the Association of Immigration & Nationality Lawyers, and others will testify.

PERSONAL EXPLANATION

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

Mr. KOCH. Mr. Speaker, I was speaking at Yale University on Monday, October 20, 1969, when the House passed H.R. 14195, the Federal Contested Election Act, on rollcall No. 235. Had I been present, I would have voted "nay."

APPOINTMENT OF CONFEREES ON H.R. 474, ESTABLISHMENT OF COMMISSION ON GOVERNMENT PROCUREMENT

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 474), to establish a Commission on Government Procurement, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. HOLIFIELD, ST GERMAIN, and HORTON.

PERMISSION FOR SUBCOMMITTEE NO. 5, COMMITTEE ON THE JUDICIARY, TO SIT DURING GENERAL DEBATE OCTOBER 23

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that Subcommittee No. 5 of the Committee on the Judiciary may sit during general debate on October 23.

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

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object—and I hesitate to do so—previously I had spoken to the distinguished chairman of the Committee on the Judiciary as well as to the ranking minority member on the basis that if this subcommittee was going to meet during general debate on matters before it that I thought the other subcommittees of the Committee on the Judiciary which have on their agenda legislative programs recommended by the President, also ought to meet. Subcommittee No. 5 is meeting on the conglomerate matters, as I recall. It seems to me the other subcommittees also ought to be doing some work on the President's legislative program, and those subcommittees do have such matters before them.

Mr. Speaker, I will not object today, but I do want to reaffirm on the floor of the House what I have told the chairman of the committee, that I will not agree to it in the future unless the other subcommittees likewise meet to consider various aspects of the President's anti-crime package.

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

Mr. GERALD R. FORD. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, I think the gentleman's support of the President's position on bills and recommendations has been made very clear this morning, but this request was made by me, I am informed, after clearance with the distinguished gentleman from Ohio (Mr. MCCULLOCH).

Mr. GERALD R. FORD. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 239]

Arends	Fascell	O'Neill, Mass.
Ashley	Findley	Ottinger
Aspinall	Fraser	Passman
Bingham	Gallagher	Pike
Brooks	Gray	Pollock
Burton, Utah	Hays	Powell
Cahill	Hébert	Quie
Celler	Howard	Reid, N.Y.
Clark	Karth	Rivers
Clay	Kirwan	Rodino
Corman	Kyros	Rosenthal
Cramer	Landgrebe	Ruppe
Culver	Landrum	Scheuer
Daddario	Lipscomb	Stuckey
Dawson	Lukens	Ullman
Devine	McCulloch	Utt
Diggs	Mailliard	Whalley
Dingell	Martin	Wilson, Bob
Edwards, Ala.	Morse	
Edwards, La.	O'Konski	

The SPEAKER. On this rollcall 373 Members have answered to their names, a quorum.

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

HOUSING AND URBAN DEVELOPMENT ACT OF 1969

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 13827) to amend and extend laws relating to housing and urban development, and for other purposes.

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

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 13827, with Mr. FLOOD in the chair.

The CHAIRMAN. If there is no objection, the Chair would like to make an observation. The Chair is very grateful to the Members for their full and complete cooperation which the Chair had yesterday in the maintenance of order in the House. The Chair hopes today it will be better. The Chair makes the same request today.

The Chair would like all employees of the House except one employee on each side of the aisle to leave the floor. The Chair again admonishes the pages, especially in the right-hand corner, on the Democratic side, to be quite and to refrain from disturbance there.

The Chair takes for granted that any conversations on the floor will be dispensed with and the Members will leave for the cloakrooms or the Speaker's lobby if they wish to converse.

For the benefit of Members, the parliamentary situation is this. General debate was concluded. The Chair directed the Clerk to read the bill by title. The Clerk read page 1 through line 4, at which point the gentleman from Georgia (Mr. STEPHENS) posed a parliamentary inquiry, and asked whether an amendment could be offered at that point. The Chair ruled the amendment could be offered at that point and told the gentleman from Georgia the Chair would direct the Clerk to report the amendment, adding however, that at the conclusion of the reading of the amendment if by chance a motion were made for the Committee to rise, and it did rise, the Chair would recognize as the first order of business the gentleman from Georgia in support of his amendment. The Committee did rise, so at this time the Chair will recognize the gentleman from Georgia for 5 minutes in support of his amendment; and, for the benefit of the Members, directs the Clerk to reread the amendment.

AMENDMENT OFFERED BY MR. STEPHENS

The Clerk read as follows:

Amendment offered by Mr. Stephens: Page 1, after line 4, insert the following new section:

"SEC. 2. Section 305(g) of the National Housing Act is amended—

"(1) by striking out '$1,000,000,000' and inserting in lieu thereof '$2,500,000,000';

"(2) by inserting 'at par' immediately after 'and to purchase'; and

"(3) by striking out '$15,000', '$17,500', and '$22,500' and inserting in lieu thereof '$17,500', '$20,000', and '$25,000', respectively."

The CHAIRMAN. The Chair recognizes the gentleman from Georgia.

Mr. STEPHENS. I thank the Chairman.

Mr. Chairman, the homebuilding industry is confronted with a bitter year. In the September recess I met with Georgia homebuilders to discuss the current dilemma. During our conversation I asked about the proposals of Operation Breakthrough. This is how the answer came back to me:

"If you can give us the mortgage money, we will provide the breakthrough."

It seems to be just that simple. My amendment seeks to help along that line.

My amendment is not complicated. It would provide an additional $1.5 billion for the Government National Mortgage Association to purchase mortgages on low-cost FHA and VA housing. I am informed that there is approximately $500 million remaining under the section 305(g) GNMA authorization for this purpose, so if my amendment is adopted and becomes law, GNMA would then have about $2 billion available for this purpose. In addition, my amendment would raise the maximum mortgage amount on mortgages eligible for purchase, which was set at $15,000 in 1966, to $17,500. This is necessary because of the increase in housing costs which has taken place during the last 3 years. Finally I would require that mortgages purchased by GNMA pursuant to section 305(g) be purchased at par, that is, without discount. Now, my amendment is not mandatory.

I believe the need for my amendment to be self-evident. The housing industry is fast approaching a state of near chaos. I believe it is clear that the present tight money situation is bearing down unfairly and disproportionately on the building industry of this Nation. This year housing starts declined precipitously from 1.8 million in January to 1.3 million in August. While September has witnessed a modest recovery in starts, building permits, a reflection of future housing activity, continued to decline. We in the Congress here have enacted legislation aimed at assuring all Americans decent, safe, and sanitary housing. Yet housing starts are now at a level below that of 1950 in which year we started almost 2 million. I would remind the House that in 1950 this Nation's population stood at 152 million. Our current estimated population is 203 million.

The gentleman from Illinois (Mr. ANDERSON) is offering an amendment to assist in the "Operation Breakthrough" of HUD. I will support his amendment and cite his arguments for the need for help in homebuilding which he distributed to all of us with his proposal:

If we are to meet our goal of 26 million units in the next decade we will obviously have to apply this new approach. This year we may not even achieve one million housing starts. The Congressional mandate calls for 2.7 million starts annually. Last year there were approximately 1.5 million starts. We are falling behind rather than forging ahead in our attempts to meet this most critical housing shortage.

I have stated that the housing industry is approaching a state of near chaos, but there is something a great deal more fundamental involved here than the economic well-being of one segment of our economy, important as it may be. Since I have been a Member of this body I have consistently supported these programs. I have consistently voted for a workable public housing program. I am proud to state that I led the fight for the successful enactment of the rent supplement program in 1965. I am in favor of direct aid to our cities in the form of urban renewal, model cities, and community facilities grants. The Federal Government, should and will, I feel certain, have to play an increasingly larger role in the much needed physical and social renovation of urban America. But, Mr. Chairman, ours is a free enterprise economy and the great bulk of housing for low- and moderate-income people is going to have to be supplied by the private housing industry. In the enactment last year of the FHA section 235 homeownership program, Congress took official cognizance of this fact. Section 235 cannot work, other FHA programs cannot work, nor the VA home loan program meet the housing needs of our moderate-income veterans, unless an adequate supply of mortgage money is available. My proposal will go a long way toward bringing this about. The $2 billion which will be available to GNMA for low-cost housing, should my amendment prevail, should directly produce some additional 125,000 individual homes.

Its effect, however, will be far more reaching. Twice before when the Nation was experiencing a mortgage credit crunch in 1958 and 1966, the Congress enacted almost identical legislation. On both occasions, it was our experience that private lenders, knowing that mortgage money would be available to builders from the Federal Government, relaxed their credit restrictions and made funds available for housing. This in turn resulted in the construction of still more housing units. In effect, the Government's secondary mortgage market under these circumstances, acts as a yardstick. This is as it should be. Section 301 of the National Housing Act establishing GNMA, as drafted by the Eisenhower administration and placed on the statute books by the Republican 83d Congress, states that the Congress declares the purpose of this title is, among other things, to provide special assistance to home mortgages generally as a means of retarding or stopping a decline in mortgage lending and homebuilding activities which threatens materially the stability of our high level national economy.

The adoption of my amendment will carry out this congressional mandate. It is a mandate which I sincerely feel this body has an obligation to fulfill and do so immediately. I say this, because I am exceedingly fearful that we are now witnessing a repetition of the unfortunate sequence of events which triggered our most serious postwar recession, that of 1957–58; 1957 saw an acute tight mortgage money market accompanied by a drastic decline in housing starts. Sickness in the housing industry in 1957 spread like a deadly virus through the economic body and was a major cause of the 1958 recession. I would remind the House that in the spring of 1958 unemployment reached a figure of 5 million. It was necessary at that point for the Congress to take action of a more direct nature to pump prime the economy with large infusions of Government money. This in turn contributed to a large Government deficit in 1959.

Mr. Chairman, I believe by enacting my amendment today the House can ward off a repetition of unhappy events of 1957 to 1959. Again, I conclude by repeating, we must assist the homebuilders find mortgage money. However, this method I propose is permissive and not mandatory for GNMA, but if used—which I hope it would be—it will help the homebuilders and prospective homeowners.

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

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

Mr. PATMAN. For the information of the gentleman from Georgia, I canvassed the committee on this side, and we are willing to support the gentleman's amendment.

Mr. STEPHENS. Thank you very much, Mr. Chairman.

Mr. PATMAN. Mr. Chairman, I rise in support of the amendment offered by our distinguished colleague on the Banking and Currency Committee, Mr. STEPHENS. This amendment would provide $1,500 million in additional available funds to the Government National Mortgage Association to assist low-income people secure housing.

GNMA, as this institution is called, has taken over all the special assistance housing programs of FNMA, which the members will recall we did in the 1968 Housing Act. The use of these funds is discretionary with the President.

We know full well that the housing industry is in a state of depression and the effects of this fall most heavily on home construction and availability of home mortgage funds for the poor. It is an excellent amendment. It will provide funds to construct housing for the elderly, low-income families, and military housing.

Mr. Chairman, I hope the Members will support the amendment.

We want to assure that there is no discrimination against the low- and moderate-income cooperative homeownership projects through the denial of the new "tandem" financing for such housing projects.

It is the clear intent of Congress that cooperative homeownership projects should receive the benefits of the tandem financing program. In approving the tandem program, Congress has responded to the needs of cooperatives for par financing without discounts on mortgages covering housing for low- and moderate-income families. The building of such housing should not be jeopardized by fluctuations in the money market. Cooperatives have no way to pay discounts, since the lower income families cannot afford to pay them through higher down-payments. Such discounts would make cooperative homeownership impossible for these families who urgently need housing.

The record of repayments on cooperative mortgages is the best of any FHA-insured program. The Douglas Commission found that "the cooperative program under 221(d)(3) has achieved a remarkable record. There has not been a single default in any cooperative mortgage although the default rate on BMIR rental projects is over 3 percent." Through cooperatives, thousands of lower income families have achieved homeownership and better communities because they have a stake in their community.

In passing the housing bill today, Congress is giving the administration a mandate to use the tandem plan to purchase cooperative mortgages under the interest reduction and rent supplement programs.

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

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

Mr. BARRETT. I want to take this opportunity to commend the gentleman on the very fine work and his dedicated interest to obtain necessary and adequate homes for the people who need it so badly in rural areas; as well as the fine work he has done to obtain necessary housing for the urban areas. In all he has done a splendid job, and I hope his amendment will carry.

Mr. STEPHENS. Thank you very much for your kind words. I appreciate it.

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

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

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

Mr. STEPHENS. I yield to the gentleman from Tennessee, a member of the Committee (Mr. BROCK).

Mr. BROCK. I would like for the gentleman to have an additional 5 minutes if that is possible, because I am very interested in his proposal.

But, for the purpose of clarification, the money would be appropriated from the Treasury to the National Mortgage Association, GNMA, which in turn would use the funds to purchase mortgages from the FHA and VA; is that correct?

Mr. STEPHENS. Yes, sir.

Mr. BROCK. At full parity?

Mr. STEPHENS. Yes.

Mr. BROCK. Mr. Chairman, if the gentleman will yield further, then could it refinance those mortgages by selling its own issues to somebody, or is there a turnover provision as it would apply to this section?

Mr. STEPHENS. I am not positive as to whether there is a turnover provision or not.

Mr. BROCK. If it had to sell those at a discount and if it did have that proviso—and I would assume it would—then it would be at a direct cost or a discount, perhaps, at least to the taxpayers?

Mr. STEPHENS. I like the provision I have here. The discount points are usually paid by the purchaser. This would be a way that the discount could be put into effect.

Mr. BROCK. I am talking about the direct operations of GNMA. This would be somewhat different from the discount, particularly to home buyers, and I would question this procedure because I think the homebuilding industry is in such desperate straits. I question whether the gentleman's amendment would create any additional private money, because I do not think there is any additional private money available. But I do hope that this would open the door for addressing relief to the homeowners and homebuilders. I think it is imperative that this Government act in any capacity it can to relieve the straits in which this industry finds itself and in which the average person who desires to purchase a home finds himself, because he cannot obtain money to build a home at any price.

Mr. STEPHENS. I appreciate the statement which has been made by the gentleman from Tennessee.

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

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

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

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

Mr. HANNA. Mr. Chairman, I commend the gentleman upon his proposal. As I indicated yesterday there is a multiplier of 2½ percent in the homebuilding industry. If that is true, the proposal of the gentleman would create in the economy $5 billion.

I have been concerned, as has been the gentleman from Tennessee, over the possibility that when you discount these notes with FNMA, which I hope they will do, there will be a Government expense. I believe that the sum of $5 billion in the economy will generate enough new taxes so that that will create a return that is necessary to service the expense of the discount. I believe that is an extra reason for supporting this particular proposition.

Mr. STEPHENS. I thank the gentleman.

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

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

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

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

Mr. RANDALL. Mr. Chairman, I want to ask the gentleman in the well a question. Is the purpose of your amendment to provide GNMA more authority to purchase mortgages on low cost housing? Then would GNMA sell its paper, assuming these are not appropriated funds?

Mr. STEPHENS. That is correct.

Mr. RANDALL. We are all quick to question and slow to support any program involving a billion dollars no matter how meritorious or how worthwhile. If I understand this amendment correctly it is not mandatory but simply authorizes the Government National Mortgage Association to purchase more mortgages at par and without discount.

There should be no question about that portion of the amendment which raises the maximum mortgage amount on mortgages eligible for purchase which was set at $15,000 in 1966 to $17,500 because this is absolutely necessary due to the increase in housing costs which has taken place in the last 3 years.

Without going so far as to endorse an increase in authorization as large as is proposed without serious reservations I am reminded that our homebuilding industry has had a most disappointing year. All our homebuilders seem to be asking for is a more plentiful supply of mortgage money. There is a mortgage credit crunch which is almost as bad as any that has been seen since 1958.

Some increase in the supply of mortgage money available to builders is imperative. We have a free enterprise economy and the great bulk of housing for low- and moderate-income people will have to be supplied by the private homebuilding industry.

Whether such a large increase in authorization is warranted depends on how strong a brand of medicine is needed for our homebuilders.

Again, the only question is the size of the increased authorization. I am sure all of us want to be certain that the amendment is not mandatory on GMNA, but is only permissive.

Mr. ALBERT. Mr. Chairman, I support the amendment offered by the gentleman from Georgia (Mr. STEPHENS) because of the vital role the housing industry plays in our national economy.

The impact of new residential construction is a major force in, and spreads throughout, the entire American economic structure. For example, last year's 1½ million new dwelling units generated in construction activity alone approximately $22.5 billion. When you add to this the impact of expenditures which are directly related to the construction of new dwellings, such as schools, community facilities, service industries, durable goods expenditures, and the like, the total directly related impact of housing expenditures amounts to $49 billion, or approximately $1 in every $18 of the total amount of gross national product activity last year.

Each new home built provides about 2 man-years of employment, half offsite, a little more than half onsite. Last year's housing volume thus provided close to 3 million jobs. In addition, what the economists call the multiplier effect of such expenditures is also enormous. For example, it has been calculated that the multiplier effect of construction activity as it spreads through the economy in economic terms is about double the direct dollar expenditures. The thousands of products used in new dwellings come from every area of the country and affect virtually every industry.

It is estimated that the gentleman's amendment will produce directly approximately 125,000 additional units of housing. The committee may be interested in knowing that the construction of 100,000 units of housing would mean an additional $1.2 billion in direct construction expenditures, provide 200,000 man-years of work, half of it onsite and half of it in materials production. Specifically, the construction of an adtional 100,000 houses would mean a mar-

ket for 975 million board feet of lumber, 115 million board feet of finish wood flooring, 104 million square feet of softwood, plywood, 470 million bricks, 230 million pounds of cement, 1.9 million gallons of paint, 200,000 tons of steel, 156,000 water closets, 127,000 bath tubs, 73,000 warm air furnaces, with ducts, 11 million square feet of ceramic tile, 10 million square feet of linoleum floor covering, 20 million square feet of asphalt tile flooring, 1 million squares of asphalt roofing shingles, 140 million square feet of wall and ceiling insulation, 2.5 million convenience outlets, 1.1 million electric switches, 32,000 garbarge disposal units, 55,000 kitchen exhaust fans, 7,000 air conditioners, 1 million kitchen cabinets, 1.4 million window frame; interior wall gypsum board for 48,000 houses and gypsum lath for another 40,000—close to a half billion square feet of gypsum board products in all; 1.2 million doors, 27,000 single-garage doors; 32,000 double-garage 1- door; and 10,000 double-garage 2-doors.

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

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

Mr. Chairman, personally I am very reluctant to disagree with my very good friend and extremely competent colleague, the gentleman from Georgia.

The price tag on the housing bill that we are bringing to the House right now is $3 billion. The amendment proposed by the gentleman from Georgia would increase the budgetary cost by $1.5 billion, bringing the price tag of the bill to $4.5 billion. Here, the first amendment offered to the bill today would increase the budgetary cost of the bill by 50 percent. I do not think we can proceed on that basis.

We have to hold the line tight on the budgetary costs that we authorize and the Congress cannot shirk its responsibility to do its part in bringing inflation into control.

I was rather shocked to hear some testimony before our committee offered by Chairman Preston Martin, the new head of the Federal Home Loan Bank Board. They had just pumped $1,900,000,000—I believe it is—into the housing market. On questioning before the committee, he stated that average mortgage that was taken with that money was for $28,000 to $30,000. That is the mortgage—not the value of the house. I was shocked at that testimony as before I had understood that the thrust of what we are trying to do here in the Congress is to provide opportunities for low-income people and low-middle-income people, and housing for those people.

It would indicate to me, that if $1,500,000,000 more goes into GNMA, as proposed by this amendment, we are probably going to end up with the same thing—financing of high cost housing—which I do not object to—but I think other things have priority and should have as much help as possible.

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

Mr. WIDNALL. I yield to the gentleman.

Mr. STEPHENS. I believe you will find language in my amendment that this is to be limited to low-income-priced houses of $17,500 and in high cost areas to a comparably higher figure. I have that as a limitation and I do not see how that could happen under the circumstances, for them to take this permissive authority.

Mr. WIDNALL. But your amendment raises the ceiling, the current ceiling; does it not?

Mr. STEPHENS. That is correct. But to conform with the language of the bill, it does the same thing, it recognizes the cost of living, and this was necessary to make it conform to the balance of the bill. I thank my colleague for yielding.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman.

Mr. ANDERSON of Illinois. I understood in the colloquy that went on a moment ago between the gentleman from Missouri (Mr. RANDALL) and the gentleman who has offered the amendment, the gentleman from Georgia (Mr. STEPHENS), that there was no budgetary impact during the fiscal year 1970 with respect to this amendment and that it merely was to make more flexible the authority that GNMA now has to dispense these special assistance funds in order to support or prop up the home mortgage market.

I would appreciate a further explanation from the gentleman who has offered the amendment to clarify that particular point as to what precisely the budgetary impact would be during the balance of the current fiscal year.

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

Mr. STEPHENS. Mr. Chairman, I think it would depend on GNMA and how it operates in the market as to what the budgetary effect of it would be.

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

Mr. WIDNALL. I yield to the gentleman.

Mr. BROCK. Mr. Chairman, I am under some misunderstanding as well.

If GNMA has authority to market this paper on the open market, there is no budgetary impact. But if under the authority of this amendment they have the direct ability to take $1,500,000,000 additional money from the Treasury, then it has an immediate budgetary impact.

I would like to inquire, what is the effect of the amendment?

Mr. WIDNALL. Yes, and that is established forever.

Mr. STEPHENS. No, it only takes the existing figures of the present bill, and it will be part of it. It does not change any procedures whatsoever as to what the budgetary effect will be.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. STEPHENS).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE I—MORTGAGE CREDIT

EXTENSION OF PROGRAMS

SEC. 101. (a) Section 2(a) of the National Housing Act is amended by striking out "1969" in the first sentence and inserting in lieu thereof "1970".

(b) Section 217 of such Act is amended—

(1) by striking out "or title X" and inserting in lieu thereof "title X, or title XI"; and

(2) by striking out "1969" and inserting in lieu thereof "1970".

(c) Section 221(f) of such Act is amended by striking out "1969" in the fifth sentence and inserting in lieu thereof "1970".

(d) Section 809(f) of such Act is amended by striking out "1969" in the second sentence and inserting in lieu thereof "1970".

(e) Section 810(k) of such Act is amended by striking out "1969" in the second sentence and inserting in lieu thereof "1970".

(f) Section 1002(a) of such Act is amended by striking out "1969" in the second sentence and inserting in lieu thereof "1970".

(g) Section 1101(a) of such Act is amended by striking out "1969" in the second sentence and inserting in lieu thereof "1970".

LOWER DOWNPAYMENTS FOR FHA-FINANCED SALES HOUSING

SEC. 102. (a) Section 203(b)(2) of the National Housing Act is amended by striking out "$20,000" each place it appears and inserting in lieu thereof "$25,000".

(b) Section 220(d)(3)(A)(i) of such Act is amended by striking out "$20,000" each place it appears and inserting in lieu thereof "$25,000".

(c) Section 222(b)(3) of such Act is amended by striking out "$20,000" each place it appears and inserting in lieu thereof "$25,000".

(d) Section 234(c) of such Act is amended by striking out "$20,000" each place it appears and inserting in lieu thereof "$25,000".

MOBILE HOMES

SEC. 103. (a)(1) Section 207(a) of the National Housing Act is amended—

(A) by striking out "trailer coach mobile dwellings" in paragraph (1) and inserting in lieu thereof "mobile homes";

(B) by striking out "trailer court or park" in paragraph (6) and inserting in lieu thereof "mobile home court or park"; and

(C) by striking out "trailer coach mobile dwellings" in paragraph (6) and inserting in lieu thereof "mobile homes".

(2) Section 207(c)(3) of such Act is amended by striking out "trailer courts or parks" and inserting in lieu thereof "mobile home courts or parks".

(b) Section 207(c)(3) of such Act is amended by striking out "$1,800 per space" and inserting in lieu thereof "$2,500 per space".

(c) The last paragraph of section 207(c) of such Act (immediately following paragraph numbered (3)) is amended by inserting after "such term as the Secretary shall prescribe" in the first sentence the following: "(not exceeding 20 years in the case of a mortgage for a mobile home court or park)".

MAXIMUM MORTGAGE AMOUNT UNDER SECTION 220 MULTIFAMILY HOUSING PROGRAM

SEC. 104. Section 220(d)(3)(B)(i) of the National Housing Act is amended to read as follows:

"(i) not exceed $50,000,000;".

MORTGAGE INSURANCE ON CONDOMINIUM UNITS FOR SERVICEMEN

SEC. 105. Section 222(b)(1) of the National Housing Act is amended by inserting "or 234(c)," immediately after "221(d)(2),".

ASSISTANCE PAYMENTS UNDER SECTION 235 FOR PURCHASER ASSUMING MORTGAGE

SEC. 106. (a) Section 235(c) of the National Housing Act is amended by striking out "subsection (j)(4)" and inserting in lieu thereof "subsection (i) or (j)(4)".

(b) Section 235(b)(2) of such Act is

amended by striking out the first proviso and inserting in lieu thereof the following ": *Provided*, That if any cooperative member who has received assistance payments transfers his membership and occupancy rights to another person who satisfies the eligibility requirements prescribed by the Secretary and undertakes the obligation to pay occupancy charges, the new cooperative member may qualify for assistance payments upon the filing of an application with respect to the dwelling unit involved to be occupied by him".

AUTHORIZATION FOR ASSISTANCE PAYMENTS UNDER SECTIONS 235 AND 236

SEC. 107. (a) The second sentence of section 235(h) of the National Housing Act is amended by striking out "by $100,000,000 on July 1, 1970" and inserting in lieu thereof "by $125,000,000 on July 1, 1970."

(b) The second sentence of section 236(l)(1) of such Act is amended by striking out "by $100,000,000 on July 1, 1970" and inserting in lieu thereof "by $125,000,000 on July 1, 1970."

ASSISTANCE PAYMENTS WITH RESPECT TO EXISTING DWELLINGS UNDER SECTION 235

SEC. 108. Section 235(h)(3) of the National Housing Act is amended—

(1) by inserting "and" at the end of subparagraph (A); and

(2) by striking out subparagraphs (B) and (C) and inserting in lieu thereof the following:

"(B) 30 per centum of the total additional amount of contracts for assistance payments authorized by appropriation Acts to be made prior to July 1, 1971,".

10 PER CENTUM INCREASE IN MAXIMUM MORTGAGE AMOUNTS UNDER FHA INSURANCE PROGRAMS

SEC. 109. (a)(1) Section 203(b)(2) of the National Housing Act is amended by striking out "$30,000", "$32,500", and "$37,500" wherever they appear and inserting in lieu thereof "$33,000", "$35,750", and "$41,250", respectively.

(2) Section 203(h) of such Act is amended by striking out "$12,000" and inserting in lieu thereof "$13,200".

(3) Section 203(i) of such Act is amended by striking out "$13,500" and inserting in lieu thereof "$14,850".

(4) Section 203(m) of such Act is amended by striking out "$15,000" and inserting in lieu thereof "$16,500".

(b)(1) Section 207(c)(3) of such Act is amended by striking out "$9,000", "$12,500", "$15,000", "$18,500", and "$21,000 wherever they appear and inserting in lieu thereof "$9,900", "$13,750", "$16,500", "$20,350", and "$23,100", respectively.

(2) Section 207(c)(3) of such Act is further amended by striking out "$10,500", "$18,000", "$22,500", and "$25,500", and inserting in lieu thereof "$11,550", "$19,800", "$24,750", and "$28,050", respectively.

(c)(1) Section 213(b)(2) of such Act is amended by striking out "$9,000", "$12,500", "$15,000", "$18,500", and "$21,000" wherever they appear and inserting in lieu thereof "$9,990", "$13,750", "$16,500", "$20,350", and "$23,100", respectively.

(2) Section 213(b)(2) of such Act is further amended by striking out "$10,500", "$18,000", "$22,500", and "$25,500" and inserting in lieu thereof "$11,550", "$19,800", "$24,750", and "$28,050", respectively.

(d)(1) Section 220(d)(3)(A)(i) of such Act is amended by striking out "$30,000", "$32,500", "$37,500", and "$7,000" wherever they appear and inserting in lieu thereof "$33,000", "$35,750", "$41,250", and "$7,700", respectively.

(2) Section 220(d)(3)(B)(iii) of such Act is amended by striking out "$9,000", "$12,500", "$15,000", "$18,500" and "$21,000" wherever they appear and inserting in lieu thereof "$9,900", "$13,750", "$16,500", "$20,350", and "$23,100", respectively.

(3) Section 220(d)(3)(B)(iii) of such Act is further amended by striking out "$10,500", "$18,000", "$22,500", and "$25,500" wherever they appear and inserting in lieu thereof "$11,550", "$19,800", "$24,750", and "$28,050", respectively.

(4) Section 220(h)(2) of such Act is amended by striking out "$10,000" and inserting in lieu thereof "$11,000".

(e)(1) Section 221(d)(2) of such Act is amended by striking out "$15,000", "$17,500", "$20,000", "$27,000", and "$33,000" wherever they appear and inserting in lieu thereof "$16,500", "$19,250", "$22,000", "$29,700", and "$36,300", respectively.

(2) Section 221(d)(2) of such Act is further amended by striking out "$25,000", "$32,000", and "$38,000" and inserting in lieu thereof "$27,500", "$35,200", and "$41,800", respectively.

(3) Section 221(d)(3)(ii) of such Act is amended by striking out "$8,000", "$11,250", "$13,500", "$17,000", and "$19,250" wherever they appear and inserting in lieu thereof "$8,800", "$12,375", "$14,850", "$18,700", and "$21,175", respectively.

(4) Section 221(d)(3)(ii) of such Act is further amended by striking out "$9,500", "$16,000", "$20,000", and "$22,750" and inserting in lieu thereof "$10,450", "$17,600", "$22,000", and "$25,025", respectively.

(5) Section 221(d)(4)(ii) of such Act is amended by striking out "$8,000", "$11,250", "$13,500", "$17,000", and "$19,250" wherever they appear and inserting in lieu thereof "$8,800", "$12,375", "$14,850, "$18,700", and "$21,175", respectively.

(6) Section 221(d)(4)(ii) of such Act is further amended by striking out "$9,500", "$16,000", "$20,000", and "$22,750" and inserting in lieu thereof "$10,450", "$17,600", "$22,000", and "$25,025", respectively.

(7) Section 221(h)(6)(A) of such Act is amended by striking out "$15,000" and inserting in lieu thereof "$16,500".

(f) Section 222(b)(2) of such Act is amended by striking out "$30,000" and inserting in lieu thereof "$33,000".

(g)(1) Section 231(c)(2) of such Act is amended by striking out "$8,000", "$11,250", "$13,500", "$17,000", and "$19,250" wherever they appear and inserting in lieu thereof "$8,800", "$12,375", "$14,850", "$18,700", "$21,175", respectively.

(2) Section 231(c)(2) of such Act is further amended by striking out "$9,500", "$16,000", "$20,000", and "$22,750" and inserting in lieu thereof "$10,450", "$17,600", "$22,000", and "$25,025", respectively.

(h)(1) Section 234(c) of such Act is amended by striking out "$30,000" and inserting in lieu thereof "$33,000".

(2) Section 234(e)(3) of such Act is amended by striking out "$9,000", "$12,500", "$15,000", "$18,500", and "$21,000" wherever they appear and inserting in lieu thereof "$9,900", "$13,750", "$16,500", "$20,350", and "$23,100", respectively.

(3) Section 234(e)(3) of such Act is further amended by striking out "$10,500", "$18,500", "$22,500", and "$25,500" and inserting in lieu thereof "$11,550", "$19,800", "$24,750", and "$28,050", respectively.

(i) Section 235 of such Act is amended by striking out "$15,000", "$17,500", and "$20,000" wherever they appear and inserting in lieu thereof "$16,500", "$19,250", and "$22,000", respectively.

(j) Section 237(c)(2) of such Act is amended by striking out "$15,000" and "$17,500" and inserting in lieu thereof "$16,500" and "$19,250", respectively.

INCREASE IN GNMA PURCHASE AUTHORITY

SEC. 110. Section 302(b) of the National Housing Act is amended—

(1) by striking out "exceeds or exceeded $17,500" in clause (3) of the proviso in the first sentence and inserting in lieu thereof "exceeds or exceeded $22,000";

(2) by striking out "that exceeds $17,500" in the second sentence and inserting in lieu thereof "that exceeds the otherwise applicable maximum amount"; and

(3) by striking out "did not exceed $17,500" in the second sentence and inserting in lieu thereof "did not exceed the otherwise applicable maximum amount".

GNMA SPECIAL ASSISTANCE PURCHASES

SEC. 111. Section 305 of the National Housing Act is amended by adding at the end thereof the following new subsection:

"(j) Notwithstanding any other provision of this Act, the Association is authorized to purchase pursuant to commitments or otherwise mortgages otherwise eligible for purchase under this section at a price equal to the unpaid principal amount thereof at the time of purchase, with adjustments for interest and any comparable items, and to sell such mortgages at any time at a price within the range of market prices for the particular class of mortgages involved at the time of sale as determined by the Association."

Mr. PATMAN (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will read the committee amendments to title I.

The Clerk read as follows:

Committee amendments: Page 6, lines 5, 6, 9, and 10, strike out "1970" and insert "1969".

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

AMENDMENT OFFERED BY MR. BRASCO

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

The Clerk read as follows:

Amendment offered by Mr. BRASCO: Page 6, after line 10, insert the following new section:

"INTEREST REDUCTION PAYMENTS UNDER SECTION 236 ON CERTAIN PROJECTS FINANCED UNDER STATE OR LOCAL HOUSING PROGRAMS

"SEC. 108. The proviso in section 235(b) of the National Housing Act is amended by striking out 'with respect to a rental or cooperative housing project' and inserting in lieu thereof 'with respect to a mortgage or part thereof on a rental or cooperative housing project'."

And renumber the succeeding sections accordingly.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. BRASCO. Mr. Chairman, this is a technical amendment which, I am told, must be enacted to allow sponsors of moderate income projects to apply for only those funds for which they qualify and which they require under section 236(b) of the national housing interest subsidy program.

I would like, if I may, to cite an example which I feel best illustrates the defect that I believe this amendment would cure. Under the present law a sponsor of such a project—and for purposes of this discussion I would like to assume that the project in question is a 100-unit project—must apply for an interest subsidy under section 236(b) on the entire 100 units.

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

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

Mr. BARRETT. Mr. Chairman, we have no objection to the amendment, if that is agreeable to the minority side.

Mr. BROCK. I would like to have an explanation of the amendment.

Mr. BRASCO. I shall proceed. This means, very simply, that the prospective tenants must qualify under the section 236 income guidelines. What this does is to make it extremely difficult to service the housing needs of the community where the project is being built, for it deprives a family living in that community whose income is barely over the guidelines from obtaining decent housing. Furthermore, it prevents an advantageous economic mix in these projects, and it frustrates additional housing starts under this program by preventing the money from being spread out.

Through our committee I checked with those individuals who were formerly staff attorneys of HUD, and who drew up this particular section they suggest. The only way this defect could be cured was to enact this amendment.

I want to emphasize, and I want to be emphatic about it, that this amendment does not call for expenditure of additional moneys, for the program remains limited by the money already authorized for its use. What it does simply is to allow the sponsor of this 100-unit project, assuming he has only 60 families in the project that qualify under the 236(b) program, the interest subsidy, to apply for only 60 percent of the interest subsidy instead of a subsidy on the entire mortgage.

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

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

Mr. HANNA. Mr. Chairman, does the gentleman have any limitation as to where the qualifications will end?

In other words, the gentleman is talking about a mix of those who qualify and those who do not. What is the limitation?

Mr. BRASCO. Very simply, this does not change any qualifications. All it does is to allow a sponsor of this project, instead of applying for the 100-percent mortgage, when he has a project in which only 60 percent of the families qualify under the 236(b) program, to apply for only 60-percent mortgage subsidy. I think that is certainly equitable and fair. It does not change anything that exists.

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

Mr. BRASCO. I yield to the gentleman from Tennessee.

Mr. BROCK. Mr. Chairman, this amendment would not have the effect of having this Government participate in interest subsidy for those individuals whose incomes exceeded the amount specified?

Mr. BRASCO. No.

Mr. BROCK. The effect of the gentleman's amendment would be to allow more projects in, because there would be less than 100-percent funding. Is that correct?

Mr. BRASCO. Yes. One of the things would be obvious that instead of tying up or applying for a 100-percent interest subsidy on a particular mortgage, where facts indicate he should be getting only 60 percent, then to the extent there is money in the program—and it does not add any other money—it would allow that money to be used for another housing project.

Mr. BROCK. Mr. Chairman, where does the builder of this particular project get the other 40 percent?

Mr. BRASCO. He is not entitled to interest subsidy on that. That may be a combination of any city or State programs.

Mr. BROCK. Then the gentleman is saying the effect of the present law is that it requires a person who is going to have one or more of his units under the program to get 100 percent or nothing?

Mr. BRASCO. Yes. That rather surprised me to see there was such an interpretation placed on it. Apparently our staff in checking it out with HUD people found their legal interpretation of this section is that, unless we get this additional language which indicates a sponsor can apply for a subsidy on a part of a mortgage he must apply for it all.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BRASCO).

The amendment was agreed to.

AMENDMENT OFFERED BY MRS. SULLIVAN

Mrs. SULLIVAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. SULLIVAN: Page 12, after line 6, add the following new section:

"MORTGAGE LOANS TO HOMEOWNERS

"SEC. 112. (a) The Congress finds that the many programs of Government, intended to assure good housing for the American family at prices it can afford, are incapable of achieving their goals during recurring periods of tight money and high interest rates. Many credit-worthy families are being and have been denied mortgage financing on reasonable terms, not because of their inability to repay the obligation but because private funds needed for home financing have been diverted into other investment avenues. Such funds as are available for home mortgages are frequently offered only at unconscionable rates of interest. It is therefore the policy of the Congress and the purpose of this section to stabilize mortgage availability and establish machinery for assuring moderate income families access to mortgage financing within their means, and thus to enable the average family to achieve its goal of home ownership, by providing direct housing loans through a Federal instrumentality to individuals in those instances where private enterprise cannot or will not extend loans at reasonable rates to credit-worthy applicants.

"(b) There is hereby established in the executive branch of the Government an independent agency to be known as the Home Owners Mortgage Loan Corporation (hereinafter referred to as the "Corporation").

"(c) All the powers and duties of the Corporation shall be vested in a Board of Directors (hereinafter referred to as the 'Board'), which shall consist of the Commissioner of the Federal Housing Administration and eight members appointed by the President with the advice and consent of the Senate. The Board shall consist of at least five public members who are not officials or employees of any branch of government, Federal, State, or local. Members of the Board other than the Federal Housing Administration Commissioner shall be appointed for terms of six years; except that (1) any members appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) the terms of office of the members first appointed shall expire, as designated by the President at the time of appointment, three at the end of two years, three at the end of four years, and two at the end of six years, after the date of the enactment of this Act. The Board shall annually elect a Chairman and Vice Chairman from among its members. Public members shall be paid $100 per day for each day of work, plus travel expenses.

"(2) Subject to the provisions of this section, the Board shall determine the general policies which shall govern the operations of the Corporation, and shall have power to adopt, amend, and repeal bylaws governing the performance of the functions, powers, and duties granted to or imposed upon the Corporation by law.

"(3) The Board shall select and appoint qualified persons to serve as the officers of the Corporation, with such functions, powers, and duties as may be prescribed by the bylaws or by the Board; and such persons shall discharge all of the executive functions, powers, and duties of the Corporation. The Board shall also provide for the appointment of such additional officers and employees as may be necessary for the exercise of the Corporation's functions, powers, and duties.

"(4) The Board shall meet at the call of its Chairman or a majority of its members, but not less often than once each month.

"(5) The Corporation shall maintain such offices as may be necessary or appropriate in the conduct of its business.

"(6) No person shall serve as an officer or employee of the Corporation, while he is serving as a full-time officer or employee of any other department, agency, or instrumentality of the Federal Government.

"(7) In the performance of and with respect to the functions, powers, and duties vested in it by this section, the Corporation shall (in addition to any authority otherwise vested in it) have the same functions, powers, and duties as those prescribed for the Secretary of Housing and Urban Development by section 402 (except subsection (c)(2)) of the Housing Act of 1950.

"(d)(1) It shall be the function of the Corporation, in order to carry out the purpose of this section, to make loans to assist in the purchase or construction of housing by individuals and families of moderate income who are unable to meet their housing needs at reasonable interest rates with the financing or other assistance which is available from other sources.

"(2) A loan under this subsection may be made only for the purchase or construction of a single-family dwelling (or for the purchase of a single-family unit in a cooperative or condominium project) to be owned and occupied by the borrower, and may be made only to an individual or family who—

"(A) has an annual income of not more than $12,000 unless the Board after full consideration determines a higher or lower maximum income level is advisable to carry out the purpose of this section;

"(B) is unable to secure the necessary funds from other public or private sources in the community at an interest rate considered by the Board to be reasonable and in no case higher than 6½ per centum per annum;

"(C) would be an acceptable credit risk for purposes of whichever mortgage insurance program under title II of the National Housing Act involves housing of the most comparable type; and

"(D) satisfies the requirements of this section and such additional requirements and standards as may from time to time be prescribed and published by the Board.

"(3) Any loan made under this subsection shall be in a principal amount not exceeding $24,000 and shall be secured by a first mortgage on the property. The Corporation may require the borrower to make a downpayment (not exceeding the downpayment which would be required if the housing were being purchased with the assistance of a mortgage insured under section 203(b) of the National Housing Act).

"(4) Any loan made under this subsection shall be repayable within such period not exceeding thirty years as the Board may determine; and shall bear interest at a rate which shall be determined by the Board.

"(5) Under arrangements to be entered into by the Corporation and the Secretary of Housing and Urban Development, loan applications under this subsection shall be processed by the Secretary on behalf of the Corporation, which shall pay to the Secretary (in advance or by way of reimbursement) the costs incurred therein.

"(e)(1) There is hereby created a revolving fund to be known as the Home Owners Mortgage Loan Fund (hereinafter referred to as the 'Fund'), which shall be available to the Corporation without fiscal year limitation for carrying out the provisions of this section.

"(2) The moneys in the Fund shall be used for making and servicing loans under subsection (d), including the cost of processing loan applications as provided in subsection (d)(5) (but not including any other administrative expenses which may be incurred by the Corporation in the exercise of its functions, powers, and duties under this section).

"(3) The Fund shall be credited with appropriations made pursuant to paragraph (4), with all repayments of principal and interest on loans made under subsection (d), and with any other amounts which may be received in connection with the program under this section. Any amounts in the Fund not needed for current expenditure may be invested in obligations issued or guaranteed by the United States.

"(4) To provide the capital for the Fund, there is authorized to be appropriated the sum of $2,000,000,000 in each of the first five fiscal years ending after the date of the enactment of this Act, and such additional sum in each fiscal year thereafter as may be necessary to ensure that the total amount received in the Fund during that year (including repayments and other receipts) will be at least $2,000,000,000. Any portion of the amount authorized to be appropriated in any of the first five fiscal years ending after the date of the enactment of this Act which is not so appropriated may be appropriated in any subsequent fiscal year.

"(f) In carrying out its functions, powers, and duties under this section the Corporation shall regularly and fully consult with the Secretary of Housing and Urban Development and all other Federal departments, agencies, and instrumentalities having functions related to those of the Corporation, in order to ensure that the purpose of this section is carried out efficiently, effectively, and without unnecessary duplication of effort.

"(g) The Corporation shall prepare and submit to the President and to the Congress each year a full and complete report of its activities, together with any recommendations it may have for additional legislative, administrative, and other action to achieve the purpose of this section.

"(h) There are authorized to be appropriated such sums as may be necessary for the administrative expenses incurred by the Corporation in carrying out this section.

"(i)(1) Section 101 of the Government Corporation Control Act is amended by inserting 'Home Owners Mortgage Loan Corporation;' after 'Government National Mortgage Association;'.

"(2) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following:

"'(92) Members, Board of Directors of the Home Owners Mortgage Loan Corporation.'"

Mrs. SULLIVAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read. I think I can quickly explain what this amendment does, and it is quite simple.

Mr. BROCK. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The Clerk will proceed to read the amendment.

The Clerk proceeded to read the amendment.

Mrs. SULLIVAN (during the reading). Mr. Chairman, again I ask unanimous consent that the amendment be considered as read so that I may explain its contents.

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

Mr. BROCK. I am sorry, Mr. Chairman, but I must object.

The CHAIRMAN. Objection is heard. The Clerk will continue to read the amendment.

The Clerk concluded the reading of the amendment.

The CHAIRMAN. The gentlewoman from Missouri (Mrs. SULLIVAN) is recognized for 5 minutes in support of her amendment.

Mrs. SULLIVAN. Mr. Chairman, this is an amendment to build houses and to sell homes to moderate-income families. It is the only proposed portion of this legislation which will help the average family get a home at mortgage interest rates it can afford.

This amendment says to the financial structure of this country: "Unless you turn loose funds for home mortgages for the average family at a rate of 6½ percent or less, the Government will provide the funds."

This is strong medicine—but the housing market for families earning up to $12,000 a year is sick—dying. So strong medicine is required.

Mr. Chairman, instead of wringing our hands about high interest rates, and telling constituents who want to buy homes that we would like to help them but cannot do so because of tight money, let us loosen some money to help them.

This amendment consists of a bill cosponsored with me by the chairman of the Housing Subcommittee, the gentleman from Pennsylvania (Mr. BARRETT). The National Association of Home Builders on October 13, 1969, through its board of directors, endorsed, and now supports, this proposal. It regards it, as I do, as a way to finance homes for the middle income family now priced out of the mortgage market.

Here is what it does:

First. It creates the Home Owners Mortgage Loan Corporation to make direct loans, at 6½ percent or less, to credit-worthy families with incomes of $12,000 or less, to buy homes costing up to $24,000.

Second. It provides for appropriations to the HOMLC of $2 billion a year for 5 years. This money then becomes a revolving fund.

Third. A Board of Directors of nine members, of which at least five are not Federal, State or local officials, would set policies. The Commissioner of FHA would serve on the Board but could not be Chairman. The loans would be extended through existing FHA offices so no new bureaucracy would be established.

Fourth. This agency would be permanent, but would extend loans only when interest rates are so high that the average family cannot obtain a mortgage at reasonable rates.

We have used direct loan programs before, and they are effective. They work. We need them only during periods like the present, but we need this program now.

If this amendment is adopted and enacted, we can pull the teeth of the credit crunch monster, which hurts the average family the most—we can build homes and finance them. This is a proposal to help the forgotten man—the fellow who pays for everybody else's assistance program but seldom if ever gets any help himself.

We have programs of rent subsidy and mortgage subsidy for the poor. The rich do not need any help. But the family in the middle is out in the cold when it comes to buying a home today.

If they get some help through this proposal, it will not cost the Government a cent. The money will all come back to the Treasury at 6½ percent, or whatever the rate is on these loans. The Government will get a long-term return higher than it gets on any of its other investments. And we will get housing for the family above the poverty level but below the level of income needed to be able to afford a mortgage at today's rates.

In the general debate here yesterday, I discussed this proposal at some length, and this information appears on pages 30814–30816 of the CONGRESSIONAL RECORD. In the debate, many Members described the plight of the family above the public housing income level—able to pay its way—in getting a mortgage. The door is now closed to them. This amendment opens that door to a home purchase by providing a new source of funds.

Farmers and rural families can get direct loans. This amendment provides a similar avenue to home financing for urban families, too. Once the Government is authorized to make such loans, there will be a change of attitude, I am sure, on the part of the mortgage industry, and you will finally see some action in meeting the greatest problem now facing the average family.

Mr. BARRETT. Mr. Chairman, will the gentlewoman yield for a question?

Mrs. SULLIVAN. I would be happy to yield to the chairman of the Subcommittee on Housing.

Mr. BARRETT. Are we not here trying to do what the President said on the radio the other night; namely, that he was going to bring interest rates down in the interest of giving homes to the 6 million people who are living in substandard homes?

Mrs. SULLIVAN. That is right. We

promised them a dream, and we have not provided the funds—funds are not available to have them realize this dream.

The CHAIRMAN. The time of the gentlewoman from Missouri has expired.

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

Mr. PUCINSKI. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, I want to congratulate the gentlewoman from Missouri for offering this amendment. I would make $1.5 billion available for home construction loans at no more than 6½ percent interest. This in my judgment is the first meaningful piece of legislation to come before this Congress to do something to help the homebuilding industry of this country. I do not think there is a Member of this House who is not aware of the fact that the home building industry is now in a full scale depression and it is going to get markedly worse before it gets better unless we do something similar to what the gentlewoman is proposing here.

There is no question but that today unless you are earning $15,000 or more per year, you are out of the market for buying a home. You just cannot buy a house in America today unless your annual income is in excess of $15,000 a year.

So what the gentlewoman is proposing here is a program that would make housing available to those under $12,000 a year, those who can buy a $24,000 home, and those who could find the financing that they need at 6½ percent interest or less to get a home.

I submit that this is the kind of legislation that would be very interesting and useful to young newlyweds who most often have very limited resources for housing. They are hopelessly out of the market in buying homes today. So are our senior citizens who would like to buy a smaller home—they are out of the market becase of prohibitive interest rates.

I also submit that this legislation may be the first meaningful, significant, anti-inflationary proposal that we have had presented to us in this session, because by holding interest rates to 6½ percent, in my judgment it would compel conventional lending institutions to come down on their interest rates to meet the competition.

So it occurs to me that this amendment does offer a great deal of help. In my district I have a very large number of people who are engaged in the building trades. I see these people every Saturday morning in my office, and I am appalled and amazed at the high rate of unemployment that we now have among those engaged in the homebuilding industry. Many of you have spoken to the homebuilding contractors who were here in Washington a couple of weeks ago from your own communities. They have told you that homebuilding projects are at a complete standstill and there is absolutely no relief in sight unless we can come up with a program like this.

It would be my hope that this House would follow the leadership of the gentlewoman from Missouri. I think she has made a tremendous contribution here toward alleviating one of our biggest problems. I am sure my colleagues are aware of the fact that the economy of this country rests on three pillars—the transportation industry, the automobile industry, and the building industry. If the building industry suffers then the whole economy suffers. Every one of our recessions started with a slowdown in the building industry. The building industry affects 20 million jobs in America.

In my judgment, if we do not do something meaningful to prop up the building industry at this time, we could see the worst economic setback that this country has suffered in the last 10 years. It would be my hope that the Congress would get behind this amendment and would give this amendment a chance to operate.

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

Mr. PUCINSKI. I yield to the gentleman.

Mr. GROSS. Where is it proposed to borrow the $2 billion a year or a total of $10 billion—from what source?

Mr. PUCINSKI. It would be an appropriation. But, as the gentlewoman made very clear, this money comes back. It is not a giveaway.

Mr. GROSS. You hope it will not be a giveaway.

Mr. PUCINSKI. This Corporation would lend the money at these interest rates and the money would come back and it would go into a revolving fund so it could be expected that in the next 5 years or so we would probably see $10 billion poured into the building industry.

Mr. GROSS. What interest rate would be paid on that $10 billion that the Government would have to borrow?

Mr. PUCINSKI. I think that is problematical. I would believe that it would be somewhere in the area of 5 to 5½ percent. The gentlewoman from Missouri advises me right now that the Government is borrowing money, I believe, at 5½ percent on long-term loans. Perhaps I can yield to the gentlewoman to answer the gentleman's question.

Mr. GROSS. The gentleman from Illinois ought to know that figure and I am sure he does.

Mr. PUCINSKI. Yes, I do.

Mr. GROSS. Treasury bills are going for between 7 percent and 8 percent.

Mr. PUCINSKI. But that is on short-term notes.

Mr. GROSS. You can call them whatever you want.

Mr. PUCINSKI. The gentlelady's proposal calls for 30-year loans. You know and I know that on the 30-year loans, they are not going at that rate. It has been historical and traditional in this country that short-term notes always go at a higher rate. That is the nature of the loan.

Mr. GROSS. But the Federal Government has no truly long-term borrowings.

Mr. PUCINSKI. Look—let me tell the gentleman that you and I can argue here the rest of the day on this matter that you are pursuing. But I would like to ask my friend to look at the alternative, if we fail to act. If we fail to act, what are you going to do if we have an unemployment rate of between 8 percent and 12 percent in this country? Look at what it will cost America in terms of public aid programs and a lot of other things if we have another serious recession.

And, my friend, I am not exaggerating. You listened to the same people I did 2 or 3 weeks ago. You had building contractors from your area come and talk to you, as they came and talked to me. These people today are in a full-scale depression. Make no bones about that. So the gentleman can argue about who is going to pay for it and how much it is going to cost. I will ask him, before the afternoon is over, to look at the alternative.

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

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

The CHAIRMAN. The gentleman from Iowa is recognized.

Mr. GROSS. Let me say to the gentleman from Illinois that if you keep on borrowing and spending money that you do not have, for things this country does not need—and I am not applying that exclusively to housing—you are going to have a money panic; you are going to have the depression you are talking about, and all hell will not stop it. You had better believe that.

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

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

Mr. PUCINSKI. The gentleman knows that I have joined him on a number of occasions in voting for a reduction in spending. I believe he is an intelligent Representative in Congress, and examines into priorities. The building industry is in a depression. In my judgment, housing requires the highest priority right now.

Mr. GROSS. If the gentleman joined me more than once or twice in the last several years on cutting some of this spending, I do not know anything about it. Perhaps my memory does not serve me well. But make no mistake about it. You are going to have a depression, you are going to have a panic if you keep spending money at the rate you have been spending it for a lot of things we do not need. You will get an opportunity one of these days—I hope before Christmas Eve—to vote on a foreign aid bill. Let us see how you gallop up and stop that "gravy train." Let us see how you operate on that.

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

Mr. GROSS. I am glad to yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. What I would like to know is whether the gentleman is against the Government lending money at 6½ percent.

Mr. GROSS. If the Government can find money at 6½ percent, perhaps it could lend it at 6½ percent, but I do not know of any 6½-percent money that is available, and I do not believe the gentlewoman does, either.

Mrs. SULLIVAN. Yes, I do.

Mr. GROSS. Where?

Mrs. SULLIVAN. The average cost of

money on long-term Government issues is around 5 percent and there are the various trust funds. What we are asking now is that these mortgages be given at 6½ percent or less, depending on the market. The Government can make money on this.

Mr. GROSS. The Government can make money simply by starting the printing presses and turning out the "green stuff." It can make unlimited amounts of the "funny money" that the Banking and Currency Committee has promoted. Sure you can make money. Round up the nickel and copper nowadays and run it through a mint and you have currency. Crank up the printing presses and you have more money.

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

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

Mrs. SULLIVAN. I would like to ask the gentleman whether there is any better investment than housing for homeownership? We know there are people who have worked hard for everything they have gotten, and they are the ones who are paying the taxes——

Mr. GROSS. I will say to the gentlewoman—and I have contended this for a long time—we need housing in this country far more than we need to spend billions of dollars each year on foreign ingrates who never do anything for this country except give us trouble.

Somewhere Congress must draw the line. If this Government is going to fight wars; if it is going to continue to police and finance the world; if we are going to do all these things, then there is not going to be enough left to operate in this country all of these programs. We had better make up our minds here and now what we are going to do if national bankruptcy is to be avoided.

Mrs. SULLIVAN. Mr. Chairman, if the gentleman will yield further, this is the first thing we have done for the low- and middle-income group. I think we have to fight to help them. I intend to fight for this amendment.

Mr. GROSS. Mr. Chairman, but it is not necessary to make a gravy train out of this bill and that is what certain provisions amount to.

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

Mr. Chairman, the gentlewoman from Missouri is a very able and articulate spokesman for her cause. I take this time just to note a few inadequacies in this particular proposal.

I think this represents a very fundamental shift in the philosophy of this Government and I think the Members of this body should be aware of what such a switch entails. In terms not only of the homebuilding industry, but also of all industry in America.

First of all, if the Federal Government goes into a direct loan program, I find it difficult to conceive how any bank or savings and loan institutions can continue to compete with the massive institution we call the Federal Government.

The gentlewoman is going to rip the savings and loan institutions and the banks right out of the homebuilding business. If we put a ceiling of 6.5 percent interest in this bill and say the home loan banks and savings and loan institutions must compete, how can they compete when they do not have any money?

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

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

Mrs. SULLIVAN. Mr. Chairman, are the savings and loan institutions and the home loan banks today making loans or mortgages to families whose income is up only to $12,000?

The gentleman from Tennessee has been on the committee, and he has been able to hear their complaints.

Mr. BROCK. There are loans being made. They are very few and far between simply because there is no money available.

If the gentlewoman really wants to help the homeowners of America, I would join the gentleman from Iowa in suggesting she begin by opposing some of the Federal programs which have been irresponsible. In the last year of the administration of the President of the gentlewoman's party, this Government had a $25 billion deficit. It had to get that money from the private sector. That took $1 out of every $3 created in new money by the entire productivity of America in a given year. If we take $1 out of $3 out of the market, how can we wonder what happens to the market? Of course, it is going to go through the ceiling. The Federal Government was directly responsible for the current crisis. Its policies created the problem.

Mrs. SULLIVAN. Mr. Chairman, did the gentleman from Tennessee vote for the ABM system?

Mr. BROCK. Yes.

Mrs. SULLIVAN. Does the gentleman intend to vote for the SST?

Mr. BROCK. I have not made my decision on that. I supported the ABM.

Mrs. SULLIVAN. The gentleman, I suggest, should ask some of us how we voted on those programs.

Mr. BROCK. Mr. Chairman, I am delighted the gentlewoman has exercised her options, but I do not think they have been fully exercised to reduce this Government's fiscal irresponsibility, which is by and large responsible for the problem we have.

Let us talk about what the real impact of the gentlewoman's bill would be. If we go into the market with $2 million a year in Federal direct loans to any prospective home purchaser with a $12,000 income, lending money at 6.5 percent, when the savings and loan institutions have to lend at 7.5 or 8.5 percent, what is going to happen? We are going to put those savings and loan institutions out of business.

Private initiative is the real source of all productivity. It rests with the private sector. Since when does government want to replace the private sector as the producer of wealth in this country? The Federal Government is not competent to do so. It makes no meaningful contribution in this regard. It never can, because the private sector is where new funds are created.

Now with regard to the Government borrowing funds, the Government cannot get any 30-year money at 5 percent. The party of the gentleman from Illinois has for years fought an amendment to remove the ceiling on long-term debt, and the Federal Government cannot get money at 4.5 percent for 30 years.

Nobody is a fool. Nobody is going to be irresponsible, to loan money at a rate below the rate of inflation.

The gentleman's administration created a 6 percent inflation. What does he expect the American people to do? Does he expect them to loan money at 4½ percent? They are not stupid. They will not lend money to Washington at a rate which will not even maintain the value of their loan.

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

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

Mr. PUCINSKI. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for an additional minute.

The CHAIRMAN. The time of the gentleman from Tennessee has not yet expired.

Mr. PUCINSKI. I wonder if my colleague would try to give his attention to some figures I placed in the RECORD not too long ago, showing that the banks in this country across the board, coast to coast, border to border, enjoyed a 20-percent increase—increase, mind you—in profits in the first 6 months of 1969. When we looked at 50 at random we saw increases in profits ranging from 49 percent for a bank in Michigan to 11 percent for a bank in Illinois.

So, my friend asks, if we begin to make money available at 6½ percent what will happen? I will tell him. They will feel the competition and bring their own rates down. That is what will happen. This is the first significant anti-inflation move presented to this Congress.

Mr. BROCK. The gentleman is in error.

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

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

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

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

Mr. KYL. I was introduced to the amendment of the gentlewoman from Missouri on yesterday and have not had the opportunity to get information on this point. Does this amendment in any way remove the program which was authorized last year or the previous year for the 1-percent-interest loans for low-income families?

Mr. BROCK. It has no effect on existing law. That bill was passed. It is in application now.

This is an entirely new bill, which would create a new corporation of the Federal Government which would be authorized to take $2 billion a year from the Treasury for a period of 5 years. It is a $10 billion amendment.

It would have no effect whatsoever on the 1-percent mortgage supplement program.

Mr. KYL. Can the gentleman tell us how that program has been working?

Mr. BROCK. Well, the program is very much in its inception stages. I do not know that we are really in a position to gage it yet.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield to me?

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

Mrs. SULLIVAN. I would say, so far as the money is concerned and the money appropriated for that program, it is working but very, very slowly.

This program I am introducing is not a subsidy program at all. The program the gentleman mentioned is an interest rate subsidy program for the very low income families. I am now talking about families with incomes between $7,000 and $12,000 who cannot buy a home today.

Mr. KYL. Mr. Chairman, will the gentleman yield further?

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

Mr. KYL. If we have this precedent for establishing a pseudoprivate governmental bank corporation for loaning money for housing, is there anything which would stop further consideration of a similar financial institution for loaning money at special rates to municipalities for cleaning up water, air pollution, et cetera, or for any other private consumption market?

Mr. BROCK. No. The gentleman harks back to my original point. This opens Pandora's box. It puts the Federal Government in the position of making direct personal loans to individuals. There is no end to that.

This is a rather broad version of the old RFC, if we want to put it that way. Frankly, I cannot imagine anything that would be more detrimental to the private sector of the economy, and in particular to the savings and loan institutions, because they are having a pretty tough go of it right now, as it is, with the inflation which has been created. I cannot think of anything more detrimental to the savings and loan institutions or, frankly, to the taxpayers of this Nation, than this kind of a provision. I believe it would be terribly destructive.

This must be defeated.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield to me for a question to the chairman of the committee?

Mr. BROCK. Surely.

Mr. TEAGUE of Texas. I would like to ask the chairman of the committee where there is anything in this bill that affects interest rates on veterans' loans in any way, form or fashion?

Mr. PATMAN. In one sense there is. You see, this extends the law, taking the limitation off of interest rates applying to the FHA and VA loans beyond the end of December. It came about in this way: This bill expected to extend it for another year, but during that time a joint resolution was passed in the Senate to extend it for 90 days while the committee had an opportunity to extend the law now on the statute books. That resolution came to the House and we agreed to it. So the interest rate limitation is off until the end of December. Therefore we have a committee amendment that would change the date so as to include the date of January 1, 1970. That is when the limitation would be off.

In the meantime, the Committee on Banking and Currency of the House is going to consider this matter. So will the committee in the Senate, and both Houses then will pass on it before the end of December. Therefore it is unnecessary to have it in this bill. For that reason I will offer a committee amendment, which was overlooked a while ago when committee amendments were asked for. This is in title I, and I expect to offer it as a committee amendment.

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

Mr. BROCK. Mr. Chairman, I ask unanimous consent to proceed for an additional 3 minutes.

Mr. PATMAN. Mr. Chairman, reserving the right to object, may I inquire on this? We have taken quite a bit of time on this, which is all right. We all agree that we should have freedom of debate, but I wonder if we can have a limitation from now on? We have had 30 or 40 or 50 minutes already on this amendment, and the Members standing up, of course, such as the gentleman from Georgia (Mr. BLACKBURN), would like to be heard and will be heard, and we will take that into consideration.

However, I wonder if we can agree on 20 minutes as a limitation?

Mr. BROCK. Mr. Chairman, if the gentleman will yield, I simply wanted to address myself to the statement of the gentleman from Texas.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas (Mr. PATMAN) that all debate on this amendment end in 20 minutes?

Mr. TEAGUE of Texas. Mr. Chairman, there is objection at this time.

Mr. PATMAN. We will make it 5 minutes each. There are four on the floor, and myself, and that is 25 minutes. Is that all right?

Mr. TEAGUE of Texas. At this time I object, Mr. Chairman.

The CHAIRMAN. Objection is heard. If there is no objection, the gentleman from Tennessee (Mr. BROCK) will proceed for an additional 3 minutes.

There was no objection.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield to me for one more question of the chairman?

Mr. BROCK. Yes.

Mr. TEAGUE of Texas. We had inquired in the Veterans' Affairs Committee, and we were told that in no way, form or fashion would this bill affect veterans' loans. I find now that it is quite different. We passed the bill in the House saying that the Veterans' Affairs Administrator has the authority until 1972 to adjust interest rates. What you just said, Mr. Chairman, is that this bill will override that bill, and it is up until December 31, that he would have the right to adjust interest rates.

Mr. PATMAN. That bill passed the House, but it has not passed the Senate. Therefore it is not the law. I was here when the amendment was offered by the gentleman from Virginia to take off the limitations on the usury law on veterans' loans. I was very much disappointed in it. Of course, a point of order was made on it, but it went through. That has not passed the Senate yet, however, and therefore it is not the law. I think that the general law applying to interest rates for everybody would be respected, and that Congress should respect and recognize it, and not pick out any group. I do not see any reason to exempt the veterans' loans from the usury laws, and charge the veteran 15 percent interest and hold the others down to 7.5 percent. I just do not see that.

Mr. TEAGUE of Texas. Of course, the gentleman well knows when he said 15 or 20 percent, that that is not a fair statement in any way, form or fashion. The usury laws in the District of Columbia are something about which I do not know, but I think it is 7 or 8 percent.

Mr. PATMAN. But I think the usury law was repealed for veterans.

Mr. BROCK. Mr. Chairman, I would like to respond to the question which has been propounded by the gentleman from Texas (Mr. TEAGUE), because in my opinion it is pertinent. I fully agree with the gentleman's statement and I share his concern. I am very much concerned over the fact that we may not have adequate hearings on the bill relating to VA and FHA prior to the end of the year.

Further, in my opinion one reason that we have had chaos in the money market is the fact that our committee did not accept its responsibility and vote to address itself to the pending change in the law. The reversal took place in October and yet we simply extended it for 90 days.

Mr. Chairman, we desperately need a more adequate extension on this if we are going to put some stability back into the money market.

Mr. PATMAN. Mr. Chairman, if the gentleman will yield, we are considering that question in the committee of which the gentleman from Tennessee is a member.

Mr. BROCK. If the chairman of the committee will remember, we have been considering it all year long and we have done absolutely nothing about it. Now it is October and the committee has done nothing and I question whether or not the committee is interested in doing anything about it.

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

Mr. Chairman, I rise in opposition to the proposal and I do so on the basis of several reasons.

One of the most compelling reasons that I find myself taking this position is the fact that we have had no hearings whatsoever in committee on this proposal. I think that the gentlewoman from Missouri who has offered this amendment will agree that when we consider a question of this nature we are dealing with a very fundamental question of philosophy and that is the degree to which the Federal Government should begin to intrude into an area in which it has never extended itself before, and that is, the general mortgage business for homebuilders or home purchasers.

I think we should have the benefit of expert testimony on this point. I think we should know what is the volume of private homebuilding each year in the United States in private home financing. If we should find that the volume of private home financing is $200 billion a year then, of course, a $2 billion subsidy the

first year is going to have little or no impact across the country. I do not suggest that that is the case, but I say we do not have sufficient facts upon which to make an intelligent evaluation of the matter.

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

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

Mrs. SULLIVAN. I thoroughly appreciate the fact that the bill was introduced too late to be considered in the Housing Subcommittee or the full Committee on Banking and Currency. However, this idea has been discussed at length since the first of this year in connection with the work of the National Commission to study mortgage interest rates. That Commission was established in order to study ways of getting more mortgage money into the market at "reasonable interest rates."

If the gentleman will read the minority views contained in that report, the gentleman will see where the chairman of our committee, the gentleman from Texas (Mr. PATMAN), and I disagreed with the findings of the majority in that report, because they did not come up with any ways of creating more mortgage money, or of lowering interest rates.

This amendment that I have just offered is intended, really, to shame the lending industry and the banks into accepting the rate of 6.5 percent as a fair return upon fully insured long-term mortgages. The gentleman talked about the danger this amendment might do to competition. We would not be in competition with the savings and loan institutions or with the banks, because they are not making loans today to the people this amendment would help.

Before a family in the $12,000 or under income bracket could get a loan under this direct loan program, they would have to exhaust all regular channels to get a loan from private sources. If they could not get a loan at a reasonable rate, then they could get it from the Government, providing they were eligible and could meet the credit requirements of FHA and so on.

If I may mention just one more thing: we have a quarter of a million loans made to families in rural areas through the Farmers Home Administration, and these are all guaranteed loans, for, I believe 33 years. We have had other examples of how direct loan programs can be conducted. There is nothing brand new about this idea; it is, however, "an idea whose time has come."

Mr. BLACKBURN. If I may, I do not like to cut the gentlewoman off, but I must respond. The mere fact that for the first time I, as a member of the Committee on Banking and Currency, am being exposed to the arguments of the gentlewoman and those who might support her amendment, is reason enough in my mind to say, let us take this matter up in an orderly fashion, let us hear testimony from those in the homebuilding industry; let us hear from those who are engaged in the savings and loan and banking and insurance industries who are directly concerned with the operation of the money market. To me the fundamental question we have to ask ourselves ultimately is this: Do we believe in a free market economy or do we not? To me, this would thrust the Federal Government into an area that it has never been in before.

If we start off with a $12,000 a year limitation on income, tomorrow it would be pushed up to $15,000 and the next day to $20,000. Before we initiate such a move into an area in which we have never thrust ourselves before, I say let us proceed with great caution. I would urge the members of the committee to join with me in defeating this proposed amendment on the basis that it does deserve far more attention and deliberation than it has had up to this time.

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

The CHAIRMAN. The gentleman from New Jersey is recognized.

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

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

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

[Roll No. 240]

Abbitt	Devine	O'Konski
Anderson, Tenn.	Diggs	O'Neill, Mass.
Aspinall	Dingell	Powell
Bingham	Edwards, Ala.	Price, Tex.
Blanton	Fascell	Pryor, Ark.
Brooks	Giaimo	Quie
Burton, Utah	Gray	Reid, N.Y.
Cahill	Hansen, Wash.	Rivers
Carey	Hays	Rosenthal
Clark	Karth	Ruppe
Clay	Kirwan	Scheuer
Corman	Kleppe	Talcott
Culver	Long, La.	Ullman
Daddario	Lukens	Whalley
Dawson	Mailliard	Wilson, Charles H.
de la Garza	Martin	
	Morse	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FLOOD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 13827, and finding itself without a quorum, he had directed the roll to be called, when 383 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey.

Mr. SANDMAN. Mr. Chairman, I believe that every Member of the House is concerned with two things insofar as the amendment is concerned. I for one would like very much to support this kind of amendment. However, I have some reservations because of some questions that I do not feel have been answered yet. We all must recognize, and I think we all believe that something has to be done because there is not sufficient money available to finance homes for those incomes up to $12,000 annually, and I want to do something to help those people, as I am sure the gentlewoman from Missouri wants to do also. But I wonder if we are taking the right approach.

It has been said here by those in opposition that this measure will cost approximately $2 billion a year for 5 years. This money, of course, must come from the public segment. It must be borrowed and siphoned off what is not in circulation. It in turn economically, I think, has to increase and not decrease interest rates. So that the siphoning off of $10 billion over the next 5 years I am not convinced is going to make our position any better then than it will now.

However, I am even willing to gamble with that if we do something else.

It has been argued that this is not going to put the Government in competition with the savings and loan associations or the banks, and I agree with that position. But there is one thing here I see happening that I, for one, would not want to see happen, and it is the simple fact that the banks just do not want to lend any money for mortgages. They are more interested in short-term credit, and they would much prefer to lend it to corporations than to individuals because this is their little trick in getting around the usury laws. We all know this. For that reason banks do not want to put money into mortgages unless they absolutely have to.

The question that I have for the gentlewoman from Missouri, and the thing that bothers me the most about your amendment is that once we do this, will we not forever place the Federal Government in the mortgage business in a way where it will last until eternity comes, because the banks do not want to be in the mortgage business at the present time or the foreseeable future?

Previously, with FHA and VA mortgages the Federal Government was the guaranteeing agency. However, for the first time in your measure we are in the direct loan business. My question to you, my friend, is, How do we get out of this business once we start it, once we are taking over that segment of the banking field that I am sure the banks do not want?

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield for an answer?

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

Mrs. SULLIVAN. Mr. Chairman, first I want to say this is not the first time that such a thing has been done. Remember, we have a direct-loan program under the Farm Home Administration and also we have direct loans under the Veterans' Administration. These are going mostly to the rural areas. This will set up a permanent body which will be a small bookkeeping body that will be permanent but active only in times of tight money, as we have at present.

In order to qualify for a loan, a person must go to any private financial agency like a savings and loan institution or a bank to attempt to get a loan, just as is done under small business and some other things. If the person cannot get the loan, then he comes to the FHA office and makes a request for a direct loan for the mortgage he is after. His income must be under $12,000, and the mortgage must be for no more than $24,000.

The second question the gentleman raised was that this would raise the interest rates. Frankly, it would not raise them any more than price support programs raised the interest rates. We

would have to get $2 billion out of general revenue for that year's appropriation, but I am hoping—and I hope with all my heart—that we can cut down on many of these other programs in order to have this. Immediately, when these mortgages are made, the money will start coming back to the Government at the rate of 6.5 percent or less.

The other question is, when do we get out of it? We get out of it when interest rates begin to come down to where they should be.

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

(On request of Mrs. SULLIVAN, and by unanimous consent, Mr. SANDMAN was allowed to proceed for 2 additional minutes.)

Mr. SANDMAN. Mr. Chairman, may I ask this question: Once we have this, does the gentlewoman not feel the banks will say:

> Good, we are out of the mortgage business, and we will let Uncle Sam take it over?

What do we do when that happens?

Mrs. SULLIVAN. Is it not true that today the banks will not give mortgages on these kinds of loans?

The savings and loan institutions say they have no money and cannot do it, so these people are left in limbo. There is no place where they can go and get the mortgage.

Mr. SANDMAN. Does the gentlewoman feel the banks should take this up?

Mrs. SULLIVAN. I do believe that, but we have not been very successful in that. Since the first of the year, banker after banker and financial institution after financial institution, has come before the Banking and Currency Committee and all they say is, there is an increase in interest rates because the demand is so heavy. But when we talk to them about who is doing the demanding, we find a big portion of it comes from big business, and they are committed to make these big loans to create the expansion of business. They are not interested in making these kinds of loans.

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

Mr. SANDMAN. I yield to the gentleman from Tennessee.

Mr. BROCK. Mr. Chairman, I would simply point out the banks have today substantially more than $2 billion invested in mortgage loans and more than that is invested in those every year. If we drive the bankers out of the business of mortgages with this bill, it will cost the home owners more. The bill will be self-defeating.

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

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

Mr. PUCINSKI. Mr. Chairman, I think it is important to point out that nobody can borrow under this program unless he first goes to the financial institutions, to the conventional institutions, and only after the conventional institutions say they cannot do it, will this apply. Then the borrower would have to show he had gone to the financial institution, and applied for this only after the financial institution failed him.

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

Mr. Chairman, what I have to say does not concern the amendment offered by the gentlewoman from Missouri. My amendment will concern section 414 on page 44. If section 414 becomes law, on January 1, 1970, it will become mandatory that the interest rate for veterans revert to 6 percent interest.

Just recently we passed a bill which said the Administrator of the Veterans' Administration would be permitted to establish a rate not in excess of such rate as he may from time to time find the loan market demands.

Mr. Chairman, I was told that this bill did not apply to veterans in any way, form, or fashion, but I find out that it does apply to veterans. It repeals what we did here about 2 weeks ago.

At the proper time I shall offer an amendment either to exempt the veterans program from the January 1, 1970, deadline or to allow more time for consideration. What is wrong with giving the Committee on Banking and Currency and the Committee on Veterans' Affairs a little time to try to work out something on interest rates?

The bill before us makes the date January 1, 1970, an expiration date which means the Congress will be out of session. There will be nothing we can do. It will mandatorily go back to 6 percent, and veterans will not get any housing.

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

Mr. TEAGUE of Texas. I yield to the gentleman from Texas.

Mr. PATMAN. I say to the distinguished gentleman from Texas, this only applies to the National Housing Act. It does not intend to apply to veterans.

The bill which the gentleman authored, which went to the Senate recently, taking off the limits on interest rates for veterans, if it becomes law, will make the veteran separate and distinct from the National Housing Act and other legislation, FHA and everything.

Mr. TEAGUE of Texas. Will the gentleman tell the House why we did that? It was because he would not agree and would not go in to make it apply to all Government housing programs.

Mr. PATMAN. I was not willing to charge the veterans high rates of interest. I tried to keep them low.

Mr. TEAGUE of Texas. I want the veteran to have an opportunity to get a house. If he does not want to pay 7 percent interest or 7½ percent interest, he does not have to. To say that he cannot pay more than 6 percent will mean he will not get a house.

Mr. PATMAN. The gentleman is entirely mistaken about this taking precedence over the bill which was passed here, if it is passed by the Senate. Of course, like it is now, it is not the law, just a bill. Until that becomes a law there is no difference, and it is still tied to the FHA rate.

Mr. TEAGUE of Texas. Will the gentleman tell the House what will happen on January 1, 1970, if this becomes law? Am I correct in saying that it will be mandatory that the interest rate for veterans housing be 6 percent?

Mr. PATMAN. There is no danger of the problem arising as my friend indicates.

Mr. TEAGUE of Texas. On January 1, 1970, it will be mandatory that the veteran can pay only 6 percent.

Mr. PATMAN. I will yield to the gentleman from Pennsylvania (Mr. BARRETT).

Mr. TEAGUE of Texas. The gentleman does not have the floor. I will yield to the gentleman.

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

Mr. TEAGUE of Texas. I am glad to yield to the gentleman from Pennsylvania.

Mr. BARRETT. I just want to ease the mind of the gentleman from Texas. I know of his interest in housing programs for veterans.

There is not anything in this bill that will have any effect in any way on the veterans housing program? We will have a bill coming out in the year 1970, and if it is necessary to have the Committee on Veterans' Affairs participate in respect to that bill I would be the first one to call the gentleman to come over and have a look at it, to let us work in conjunction to bring out what we consider might be in the best interest of the veterans to purchase homes.

There is no reason for anyone to have alarm about anything in this bill, as to having the slightest effect on veterans housing.

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

Mr. TEAGUE of Texas. I yield to the gentleman from Tennessee.

Mr. BROCK. I should like to respond to the gentleman's question. I do not believe he has a response yet.

If this bill passes, and nothing else comes out of this committee, on January 1 there is not going to be one dime of money in the United States for a veteran to buy a house. That is what will happen. This bill will have a direct impact on the veterans, and the gentleman knows it.

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

Mr. TEAGUE of Texas. I yield to the gentleman from Georgia.

Mr. BLACKBURN. I should like to ask the gentleman in the well a question. Is it not true that the act of May 7, 1968, Public Law 90–301, is the result of a bill his committee considered and passed, and that is the bill referred to on this page 44, at the bottom, under the "authority"?

Mr. TEAGUE of Texas. The bill of May 7, 1968, says that until October, 1969, the Administrator of Veterans' Affairs and the Administrator of HUD would join together in setting interest rates. As of October 1, 1969, this would be repealed and it would go back to a mandatory 6-percent interest rate. That is the whole story. When they say it does not affect Veterans' Affairs, I do not agree with them.

The CHAIRMAN. The time of the gentleman from Texas (Mr. TEAGUE) has expired.

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

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

Mr. TEAGUE of Texas. I yield to the gentleman.

Mr. PATMAN. Let us read this language. It is very plain.

SEC. 414. Section 3(a) of the act of May 7, 1968, Public Law 90–301, is amended by striking out "October 1, 1969" and inserting in lieu thereof "January 1, 1970."

That refers——

Mr. TEAGUE of Texas. Will the gentleman read section 3(a) and let the House decide what it says?

Mr. PATMAN. The section refers to the National Housing Act.

Mr. TEAGUE of Texas. Will the gentleman read it, please?

Mr. PATMAN. It does not refer to any Veterans' act.

Mr. TEAGUE of Texas. But will the gentleman read it?

Mr. PATMAN. Let us talk about it briefly. The gentleman has a bill passed here that will separate the veteran from the FHA interest rate. It is now over in the other body. If that bill prevails and becomes law, of course, the two rates do not go back together.

Mr. TEAGUE of Texas. The chairman is just killing time. We are talking about this bill and about section 3(a). Will you please read it, and let the House know what is in there?

Mr. PATMAN. The gentleman has no complaint of any kind because if the bill is enacted which comes from your committee then everything you want will be provided. If it is not passed, of course anything can happen, including the VA rate being connected up with the FHA rate. But if your bill passes, and if it becomes law, it will separate them, and you will have exactly what you want.

Mr. TEAGUE of Texas. Mr. Chairman, at the proper time I shall offer an amendment that I hope, my staff hopes, and the Legislative Reference Service hopes will separate the veterans program from the one that the Committee on Banking and Currency has supervision over.

Mr. PATMAN. You already have the VA law passed the House, and it is now pending in the Senate. The VA rate had always been attached to the FHA rate, but you passed a bill here that will separate it. If it prevails you have no problems at all. None.

Mr. TEAGUE of Texas. Mr. Chairman, I completely disagree with the chairman of the Committee on Banking and Currency. I shall get my time at the proper time, and I will get section 3(a) and will read it to you, which he will not do, because he knows that it contains veterans housing in it.

Mr. PATMAN. It is the National Housing Act that it refers to.

Mr. TEAGUE of Texas. And it also says that it brings in the Administrator of Veterans' Affairs.

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

Mr. Chairman, I yield to the gentlewoman from Missouri (Mrs. SULLIVAN).

Mrs. SULLIVAN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, there has been so much discussion on other matters since my amendment was read that I want to make sure the Members know just what the pending amendment is, and what it does. It is a direct-loan program for the middle-income family. I repeat what I said earlier: That this amendment consists of a bill cosponsored by me and the chairman of the Housing Subcommittee, the gentleman from Pennsylvania (Mr. BARRETT). The National Association of Home Builders on October 13 of this year, through its board of directors, endorsed, and now supports, the proposal and regards it, as I do, as a way to finance homes for the middle-income family now priced out of the mortgage market.

Very briefly, here is what it does. First, it creates the Home Owners Mortgage Loan Corporation to make direct loans up to $24,000, at 6.5 percent or less to credit-worthy families with incomes of $12,000 or less.

Next, it provides for appropriations to the Home Owners Mortgage Loan Corporation of $2 billion a year for 5 years. This money then becomes a revolving fund.

Third, a board of directors of nine members of which at least five are not Federal, State, or local officials, will set the policies to be followed by the HOMLC. The Commissioner of the FHA would serve on this board, but could not be the chairman. The loans would be extended under the existing FHA offices, so no new bureaucracy would be established.

Fourth, this agency would be permanent, but it would extend loans only when interest rates are so high that the average family cannot obtain a mortgage at reasonable rates and then only after the family or the individual had exhausted every other means to get a loan at this rate from private financing companies.

Mr. Chairman, I urge the adoption of the amendment.

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

Mr. PATMAN. Mr. Chairman, I appreciate the fact that the gentleman from Texas (Mr. TEAGUE) has rendered a great service in many fields, particularly the veterans field and in protecting them at every turn. However, the gentleman is entirely wrong in what he says concerning this bill regulating the VA interest rates.

I have before me the section to which he referred, section 3(a) and I will read it to you because it is section 3(a) that the gentleman says fixes the veterans' rates. Section 3(a) reads as follows :

Notwithstanding the provisions of sections 203(b)(5),—

And several other sections—

of the National Housing Act regarding the maximum interest rates which the Secretary of Housing and Urban Development may establish for certain mortgage insurance programs authorized by that Act, the Secretary is authorized, until October 1, 1969— to set the maximum interest rates for such programs at not to exceed such per centum per annum on the amount of the principal obligation outstanding at any time as he finds necessary to meet the mortgage market, and during that time the interest rates so set shall be deemed to be for all purposes the interest rates in effect under the provisions of said section 203(b)(5) and the other sections referred to above: *Provided*, That in determining the rate to be applicable for the said section 203(b)(5) program, the Secretary shall consult with the Administrator of Veterans' Affairs regarding the rate which the Administrator considers necessary to meet the mortgage market for guaranteed or insured home loans to veterans under chapter 37 of title 38, United States Code.

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

Mr. PATMAN. We are not changing the law in the bill before us.

Mr. TEAGUE of Texas. Read that second sentence that you just read again.

Mr. PATMAN. Let me read these three lines. Let me go back and start at the first:

That in determining the rate to be applicable for the said section 203(b)(5) program, the Secretary shall consult with the Administrator of Veterans Affairs regarding the rate which the Administrator considers necessary to meet the mortgage market for guaranteed or insured home loans to veterans under chapter 37 of title 38, United States Code.

So, you see, he only confers with the VA Administrator. He is not required to take his advice. Neither one can take any independent action because they are not in the business of negotiating. They just consult to find out what he says is necessary in the way of determining the interest rate.

So, there is nothing here that goes into the question which the gentleman from Texas believes has been done. I assure him that there is no intent here to do anything to interfere with veterans housing interest rates, and if the bill which the gentleman got through the House here and which is now pending in the Senate becomes law, they are definitely separated for good—VA is separated from FHA. I hope the gentleman will consider that as a sufficient explanation.

Mr. TEAGUE of Texas. Mr. Chairman, the members of the Commitee heard the gentleman read section 3(a) and I do not believe there is one Member on this floor after hearing him read it who would say that the VA is not tied into this housing program, because they are. In the last 3 years this is the first time in the history of our program that that has been required. I do not think anyone on this floor believes that the administration is going to set an interest rate on housing where they do not make the VA and the FHA set the same interest rates.

Mr. PATMAN. That is not the question, I will say to the gentleman from Texas.

The gentleman said that this section 414 affected veterans rates. Definitely, it does not. That is the only question involved.

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

Mr. PATMAN. I yield to the gentleman.

Mr. BROCK. Maybe the chairman does not quite understand the thrust of the gentleman's remarks. Section 414 simply

postpones the date of application of previous loans.

If section 414 is involved in the committee amendment then we postpone until the 1st of January and it will revert to the 6-percent interest ceiling on VA loans. If nothing is done between now and the 1st of January to change that situation, and you pass this bill as written with the committee amendment, on the 1st of January the rates will revert back to the loan rate which puts a 6-percent ceiling on.

Mr. PATMAN. The gentleman is mistaken. It was only put in there to negotiate with the extension time of 90 days, for the committee to extend this law that expired on October 1.

Mr. BROCK. But if Fanny May does not, what is going to happen then?

Mr. PATMAN. Just a moment. During that time—our committee is considering it right now. We definitely are going to pass out a bill for the purpose of extending that. There is no question about that.

Mr. BROCK. I have been on the committee for 7 years, and it is news to me that the committee is considering that right now. We are not.

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

Mr. PATMAN. I yield to the gentleman.

Mr. WIDNALL. Our committee is not considering that at the present time. It is considering interest rates on shares.

Mr. PATMAN. Well, it is the whole thing—we have two laws we are considering.

Mr. TEAGUE of Texas. I would like to ask the chairman to answer one simple question.

Will the gentleman tell us when January 2 comes, if this bill becomes law, what happens to the interest rates on veterans' loans.

Mr. PATMAN. They will be just the same as they are now.

Mr. TEAGUE of Texas. They would not be the same as they are now, and you know they would not.

Mr. PATMAN. But listen, unless that bill which the gentleman secured passage of in the House is signed into law——

Mr. TEAGUE of Texas. That is not the correct answer.

Mr. PATMAN. If the gentleman will wait just a moment, I will answer the gentleman.

If that bill is passed and signed by the President and becomes the law, of course, you have exactly what you want.

Mr. TEAGUE of Texas. Let us talk about this bill. If this bill becomes law on January 2, the question was—what happens to the interest rate on veterans' loans? The gentleman knows as well as I do that it will be 6 percent.

Mr. PATMAN. Well, we do not know because if the bill passes that you have, there is no interest limitation at all.

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

Mr. TEAGUE of California. Mr. Chairman, I move to strike out the last word for the purpose of associating myself with the remarks of the chairman of my committee, the gentleman from Texas (Mr. TEAGUE), and also the remarks of the gentleman from Tennessee (Mr. BROCK). I do this as ranking Republican member of the Committee on Veterans' Affairs.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Missouri (Mrs. SULLIVAN).

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

Mrs. SULLIVAN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mrs. SULLIVAN and Mr. WIDNALL.

The Committee divided, and the tellers reported that there were—ayes 78, noes 111.

So the amendment was rejected.

The CHAIRMAN. Are there any further amendments to title I?

For what purpose does the gentleman from Georgia rise?

AMENDMENT OFFERED BY MR. BLACKBURN

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

The Clerk read as follows:

Amendment offered by Mr. BLACKBURN: Page 6, after line 21, insert the following new section:

"SECTION 236 PROJECTS FOR ELDERLY OR HANDICAPPED FAMILIES

"SEC. 109. (a) Section 236(a) of the National Housing Act is amended by inserting after 'occupancy by lower income families' the following: '(including a project designed primarily by occupancy by lower income elderly or handicapped families)'.

"(b) The second sentence of section 236(e) of such Act is amended by striking out 'at intervals of two years' and inserting in lieu thereof 'at intervals of five years in the case of elderly or handicapped families and two years in any other case'.

"(c) The second sentence of section 236(f) of such Act is amended by striking out 'or such greater amount' and inserting in lieu thereof 'or (except in the case of a dwelling unit in a project designed primarily for occupancy by lower income elderly or handicapped families) such greater amount'.

"(d) The first sentence of section 236(i)(2) of such Act is amended—

"(1) by striking out 'shall in no case exceed 90 per centum' and inserting in lieu thereof 'shall in no case exceed (A) $5,500 a year for an individual or $6,600 a year for a couple in the case of an elderly or handicapped family, or (B) 90 per centum'; and

"(2) by inserting before the period at the end thereof the following: 'in any other case'.

"(e) The second sentence of section 236(1)(2) is amended by inserting 'in any project' after 'accord a preference'.

"(f) Section 236(j)(2) of such Act is amended—

"(1) by inserting 'and' after the semicolon at the end of subparagraph (A),

"(2) by striking out subparagraph (B), and

"(3) by redesignating subparagraph (C) as subparagraph (B).

"(g) Section 236 of such Act is further amended by adding at the end thereof the following new subsection:

"'(n)(1) In making and contracting to make interest reduction payments and insuring mortgages under this section in the case of projects designed primarily for occupancy by elderly or handicapped families, and in administering the provisions of this section insofar as they involve or relate to such projects, the Secretary shall to the maximum extent possible apply the same definitions, terms, and conditions and utilize the same personnel, facilities, and procedures as in the case of loans under section 202 of the Housing Act of 1959.'

"(b) As used in this section, the term 'elderly or handicapped families' shall have the same meaning as in section 202 of the Housing Act of 1959."

And renumber the succeeding sections accordingly.

Mr. PATMAN (during the reading). Mr. Chairman, I ask unanimous consent—and I wonder if the gentleman from Georgia will agree—that the amendment be considered as read and printed in the RECORD, in view of the fact that it is available to all Members, and they know what it is.

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

There was no objection.

Mr. BLACKBURN. Mr. Chairman, I rise today to propose an amendment that will establish administrative guidelines to be followed by personnel in the Department of Housing and Urban Development when administering the 236 interest subsidization program to elderly housing projects.

Up until the passage of the 1968 Housing and Urban Development Act, Federal assistance for elderly housing was carried out under section 202 of the Housing Act of 1959. This section provided for direct 3-percent loans from the Federal Government to certain nonprofit corporations which are engaged in private housing for the elderly. Earlier this year the Bureau of the Budget froze all funds for the 202 program and required that groups appyling for grants under this program would have to apply in the future under the section 236 interest subsidization program.

Section 236 is a program to provide housing for low-income families and as such has certain provisions which make it inappropriate to housing projects specifically for the elderly. The administration and Bureau of the Budget are not going to allow the future operation of the section 202 program. Therefore, I feel compelled to offer the following amendments. Specifically, I would provide guidelines for HUD to follow when administering this program.

First, section 236 of the Housing and Urban Development Act shall be amended to provide that housing projects for the elderly shall be defined and administered in the same fundamental terms as found under section 202 of the Housing and Urban Development Act of 1959. Under Secretary of the Housing and Urban Development Van Dusen has openly acknowledged that section 202 was a splendid program and should somehow be preserved. This amendment is intended to give the administration the legislative direction it desires and deserves.

Second, under the terms of my amendment the requirement that rents be set at 25 percent of the tenant's income shall be waived for elderly housing projects and a level rental from the tenants in a project shall be established. The elderly peoples income is low at best and basing the rent on individual incomes creates an unnecessary need for investigation and calculation by the project management. I feel that since all incomes are low it would be advisable to

set rents at a break-even level instead of using the complicated procedures found under section 236. Under my system the best apartments can command a premium thus making some apartments cheaper.

Third, income limits for eligibility shall be continued at 135 percent of those required under public housing programs provided that the income of the tenants shall not exceed $5,500 for a single person and $6,600 for a couple. Section 236 requires that rents shall be set at 25 percent of the tenant's income and not exceed 135 percent of the public housing formulas. I believe to set income limits with a ceiling and a flat rental rate will make for simpler management and less cost in interest subsidy to the Treasury Department.

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

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

Mr. PATMAN. Mr. Chairman, I understand the ranking minority Member, the gentleman from New Jersey (Mr. WIDNALL), is in favor of this amendment. If the gentleman is in favor of it, we are willing to accept it. It will be subject to conference anyway.

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

Mr. BLACKBURN. I yield to the gentleman from New Jersey.

Mr. WIDNALL. Mr. Chairman, I support the amendment offered by the gentleman from Georgia (Mr. BLACKBURN).

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. BLACKBURN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WIDNALL

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

The Clerk read as follows:

Amendment offered by Mr. WIDNALL: Page 6, after line 21, insert the following new section:

"EXPANSION OF FHA NURSING HOME PROGRAM TO INCLUDE INTERMEDIATE CARE FACILITIES

"SEC. 109. Section 232 of the National Housing Act is amended—

"(1) by striking out subsection (a) and inserting in lieu thereof the following:

"'(a) The purpose of this section is to assist in the provision of facilities for either of the following purposes or for a combination of such purposes:

"'(1) The development of nursing homes for the care and treatment of convalescents and other persons who are not acutely ill and do not need hospital care but do require skilled nursing care and related medical services.

"'(2) The development of intermediate care facilities for the care of persons who, while not in need of nursing home care and treatment, nevertheless are unable to live fully independently and who are in need of minimum but continuous care provided by licensed or trained personnel.';

"(2) by striking out 'and' at the end of paragraph (1) of subsection (b);

"(3) by redesignating paragraph (2) of subsection (b) as paragraph (3) and inserting after paragraph (1) of such subsection the following new paragraph:

"'(2) the term "intermediate care facility" means a proprietary facility or facility of a private nonprofit corporation or association licensed or regulated by the State (or, if there is no State law providing for such licensing and regulation by the State, by the municipality or other political subdivision in which the facility is located) for the accommodation of persons who, because of incapacitating infirmities, require minimum but continuous care but are not in need of continuous medical or nursing services; and';

"(4) by striking out 'a new or rehabilitated nursing home' in the matter preceding paragraph (1) in subsection (d) and inserting in lieu thereof 'a new or rehabilitated nursing home or intermediate care facility or combined nursing home and intermediate care facility';

"(5) by striking out 'operation of the nursing home' in paragraph (2) of subsection (d) and inserting in lieu thereof 'operation of the home or facility';

"(6) by striking out paragraph (4) of subsection (d) and inserting in lieu thereof the following:

"'(4) The Secretary shall not insure any mortgage under this section unless he has received, from the State agency designated in accordance with section 604(a)(1) of the Public Health Service Act for the State in which is located the nursing home or intermediate care facility or combined nursing home and intermediate care facility covered by the mortgage, a certification that (A) there is a need for such home or facility, and (B) there are in force in such State or other political subdivision of the State in which the proposed home or facility would be located reasonable minimum standards of licensure and methods of operation governing the home or facility. No such mortgage shall be insured under this section unless the Secretary has received such assurance as he may deem satisfactory from the State agency that such standards will be applied and enforced with respect to any home or facility located in the State for which mortgage insurance is provided under this section,'; and

"(7) by adding at the end thereof the following new subsections:

"'(g) The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this section relating to intermediate care facilities, after consulting with the Secretary of Health, Education, and Welfare with respect to any health or medical aspects of the program which may be involved in such regulations.

"'(h) The Secretary shall also consult with the Secretary of Health, Education, and Welfare as to the need for and the availability of intermediate care facilities in any care facilities in any area for which an intermediate care facility is proposed under this section.'"

And renumber the succeeding sections accordingly.

Mr. WIDNALL (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in full in the RECORD.

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

There was no objection.

Mr. WIDNALL. Mr. Chairman, this is a recommendation of HUD and also HEW. It would expand the FHA section 232 nursing home program to include intermediate care facilities for persons who do not need full nursing home care but do need the aid of professional personnel.

It requires the States to prescribe reasonable minimum standards of licensure and methods of operation; and also, to consult with HEW and the State agency on the need for such facilities in any area.

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

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

Mr. PATMAN. Does this amendment contemplate the construction of nursing homes all over the country? If so, who will furnish the money for the construction, and how will it be provided?

Mr. WIDNALL. This would be handled through the FHA, the same as nursing homes.

Mr. PATMAN. How much would it cost?

Mr. WIDNALL. I do not have the faintest idea. I do not know how many would apply. It would be an FHA program.

Mr. PATMAN. This is for the purpose of helping people who are not 100 percent disabled, just partially disabled?

Mr. WIDNALL. They are people who do not have to be hospitalized.

Mr. PATMAN. In other words, this is short of hospitalization, which is short of a nursing home, then?

Mr. WIDNALL. That is right.

Mr. PATMAN. This would be an entirely different kind of nursing home for partially disabled people?

Mr. WIDNALL. It would be what we might call an expansion of the present nursing home operation.

Mr. PATMAN. And there is no estimate as to cost, or how many homes there would be?

Mr. WIDNALL. I do not see how one could estimate it.

Mr. PATMAN. Until we know the demand; I agree, until we know the demand.

Is it anticipated there would be a large expenditure or a small expenditure?

Mr. WIDNALL. I would anticipate a small expenditure.

Mr. PATMAN. Say $2 billion or something like that?

Mr. WIDNALL. Far below that.

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

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

Mr. ASHLEY. I am curious as to whether this was the subject of discussion during our hearings before the Subcommittee on Housing.

Mr. WIDNALL. We did briefly discuss this at the time of our hearings on housing. At that time, however, the recommendation of HUD and also of Health, Education, and Welfare had not been made.

They have advised me that they do support this and feel it will be very beneficial to the general health program.

Mr. ASHLEY. I do not mean to be obstreperous, but we deferred consideration of our housing bill for months and months and months awaiting the position of the public departments in question. If they were unable to respond by midsummer to the inquiries, and if they were unable to be responsive to the legislative proposals that our subcommittee was making, it would seem to me this is not the time, particularly, to foist upon this body suggestions that now come from the Department.

Would you not think you would agree with that?

Mr. WIDNALL. I had hoped to have the full endorsement of the Department

earlier than this. I just recently received it in the last couple of days. They wanted to straighten it out with HEW. HUD and HEW had different ideas about it. They have gotten together on it, and believe it is an affirmative program, and will be very helpful.

Mr. ASHLEY. If the gentleman will yield further, we had two sets of hearings with respect to the legislation before us. The amendment offered by my good friend from New Jersey may well be a meritorious one, but I submit that it is impossible to determine that in 15 or 20 minutes of discussion on what is most certainly a complex proposal.

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

If I might ask the gentleman from New Jersey for a little further information. This is brand new to me also. This is not a hospital, and not a nursing home, but does it live up to any of the requirements of a nursing home?

Mr. WIDNALL. Oh, yes. It would have to live up to standards set in the States by which they are licensed.

Mr. ST GERMAIN. Does the gentleman know which States have standards for these intermediatery sort of things, whatever they are?

Mr. WIDNALL. May I read to you from the CONGRESSIONAL RECORD of January 21, 1969, the statement that Senator MONTOYA made, who introduced this bill on the other side:

> There appears to be a great need for a program to provide for "sheltered care facilities" for the care of persons who, while not in need of nursing home care and treatment, nevertheless are unable to live fully independently and who are in need of minimum but continuous care provided by semi-professional personnel. This bill which I am introducing would make possible such sheltered care facilities.

Mr. ST GERMAIN. I asked the gentleman if he knows how many States, if any, do license this type of institution, and does the gentleman know whether it takes care of alcoholics, drug addicts, or what?

Mr. WIDNALL. It is presumed that the majority of these patients would be healthy ones. They do not need full hospitalization. It would enable them to obtain care and treatment at far less cost than in ordinary nursing home facilities.

Mr. ST GERMAIN. I ask the gentleman once again: Do any States have any licensing standards, or does HEW have any standards for this type of facility?

Mr. WIDNALL. It is provided in the bill that they should be subject to standards set up by the States that license them throughout the United States.

Mr. ST GERMAIN. I ask the gentleman once again: Have any States set up any standards?

Mr. WIDNALL. I believe they have, and I believe a number of the States presently have facilities that would fit into this category.

Mr. ST GERMAIN. I might say to the gentlemen I, too, would suggest that we wait until we write another housing bill next year. Would it not be wise to get a little more information on this subject and discuss it at length during the hearings? To the best of my knowledge this was not brought before the subcommittee because there was no information and we did not take any action on it. Insofar as its having been looked into during the hearings, there were no witnesses who testified on this subject during the course of our hearings.

Mr. WIDNALL. I would like to point out to the gentleman that the bill says that no such mortgage shall be insured under this section unless the Secretary has received such assurance as he may deem satisfactory from the State agency that such standards will be applied and enforced with respect to any such facility.

Mr. ST GERMAIN. Well, would it not be wise, I will say to the gentleman from New Jersey, to allow the Secretary, when we have our next hearings, to come up and describe this type of facility to us and let us know what the details are and how such a program is to be operated and then we can consider this in a deliberate fashion?

Mr. WIDNALL. What the gentleman from Rhode Island is talking about is again postponing action upon something that could provide immediate relief for many of our elderly or handicapped people.

Mr. ST GERMAIN. The point is this: We do not know that there is any need for this. There has been no testimony on it. No one is aware of the full import of such a program. We do not have the facts. Might I say I have never heard of the reasons for it. To the best of my knowledge I do not know of any State standards that now exist.

It seems to me that before we take this step—and I have nothing against providing for these needy people—let us find out what type of facility this is to be, because we all know that nursing homes were in existence and have been for a long time and, as a matter of fact, standards still have not been set, nationally, for nursing homes. They still do not have the regulations complete. I would not want to see the same situation apply here. If it is deemed necessary to have this kind of facility then we should go thoroughly into all questions pertaining thereto.

The CHAIRMAN. The time of the gentleman from Rhode Island has expired.

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

First, let me say that my friend from Rhode Island has questioned whether or not there is a need for this type of housing facility. I am somewhat surprised that there is doubt because I do not believe there is a Member presently on this floor who does not realize that this is an area where there exists one of the greatest needs for housing in this country today.

What is proposed is not a new concept in financing, as I understand—and I believe I do—the type of facility that would be covered under this program, would be similar to the type of operation that many organizations have been operating throughout the country for years. In my own district, for example, there is a facility called the British Old People's Home. There is another called the Scottish Old People's Home. These are not nursing homes. They are merely housing facilities for the elderly—very necessary facilities, let me say, where older folk, most of whom have survived their spouses, are able to live at a comparatively low cost with people of their own age and station in life. These are not nursing homes, as we generally know them.

As I further understand this proposal, what this would do would be to make available FHA loans for the construction or the expansion of this type facility. May I ask the author of the amendment if that is correct?

Mr. WIDNALL. That is correct.

Mr. COLLIER. So that whatever existing standards there may be, whether they be in the jurisdiction of health department or other local authority as are the type facility that I previously described, such regulations would be applicable in these cases, would they not?

Now as to the investment of the Federal Government, that would be determined only to the extent that the loan for this construction would be in default since the FHA merely guarantees the loan or in entirely the same way it does in the standard loan or any type of construction or improvement loan. Is that correct?

Mr. WIDNALL. That is correct.

Mr. COLLIER. Then I cannot see that any problem exists in approving this proposal. As the gentleman from New Jersey has stated, how you could calculate the cost without knowing the number of applications or subsequent defaults would develop.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield?

Mr. COLLIER. I yield to the gentleman.

Mr. ST GERMAIN. The gentleman described the British home which I believe is in his district. Are these residents permanent residents?

Mr. COLLIER. Oh, yes, the facilities are housing facilities for older people.

Mr. ST GERMAIN. As I understand the way the gentleman from Illinois is describing it, he is referring to section 202, type housing.

Mr. COLLIER. It is my understanding that this is basically what it would be.

Mr. ST GERMAIN. Right. The gentleman from New Jersey explaining the amendment referred to States with the licensed professional personnel. Are there any licensed professional personnel in the British home?

Mr. COLLIER. Let me tell the gentleman that in any of these establishments, while there is not a license per se for the facilities, there is indeed a necessity to license certain types of professional and custodial help that serve the residents of these facilities.

Mr. ST GERMAIN. I will say to the gentleman that I am not opposed to the concept. The only thing I ask is that since there seems to be a little confusion here as a matter of fact, and the gentleman from Illinois and the gentleman from New Jersey describe it differently, why not wait a few months and have hearings and let us look at it a little more closely.

Mr. COLLIER. I have no objection to that, but I repeat to the gentleman that if ever there was a need for housing, this

is the type of housing that is sorely in demand in this country today. I support the gentleman's amendment.

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

Mr. Chairman, I am sympathetic to anything the distinguished gentleman from New Jersey proposes. I am biased in his favor.

But in this case I feel, we are starting out on a program that we do not know anything about. We do not have any evidence. This is carrying medical care, if it is medical care, to a point that we have never gone before.

Page 2 of the amendment says, "the term intermediate care facilities"—you see this is not a hospital or a nursing home; it is something new. It is known as an intermediate care facility. It means "a proprietary facility or facilities to provide nonprofit corporation or association licensed or regulated by the State for the accommodation of persons who"—now who are these persons—they are not just older people because there is no age given—"for the accommodation of persons who because of incapacity or infirmities require minimum—require minimum but continuous care but are not in need of continuous or medical or nursing services."

Now this contains phrases for which there are no definitions. We do not know what they mean by "minimum care." I just feel the gentleman from New Jersey should, if he would, introduce a bill and I see no reason why our committee could not give consideration to it at the very first opportunity on its merits. If it is necessary, I think the Members will be fully sympathetic toward it. Now, we just have no adequate information to guide us, none in the world. So far as we know, that the number of cases like this could be very small, and how far it would go as to the flexibility of it and how it would be expanding in cost and everything else. I do not think anyone could comprehend what the possibilities are. We just do not have sufficient information.

I feel that the gentleman should ask that the amendment be withdrawn, and that he should either introduce a bill and have hearings on it and bring it to the floor on its merits, or the next time we have the hearings before the Housing Subcommittee to get up a housing bill, we will put it in there for consideration and have actual testimony from experts, people who know and who support the contentions in what this amendment implies. Then we would have something to go on. Otherwise, as much as I would like to support the gentleman from New Jersey, I would hesitate to do so under the circumstances.

Besides, may I invite the gentleman's attention to this. This amendment is in the Senate bill. Therefore, it is sure to be in conference. So why run the risk of doing something that will cement it into the law and it will not even be in conference? If we put this amendment in the bill today, and since it is in the Senate bill, when the conferees meet, they cannot even consider this. It will have been cemented into the law. So why should we run the risk of cementing this into the law now when we could go to conference on what the Senate has provided, the same thing, and if we find out it is good and we want to agree to it, we can agree to it then. We will have a chance to do so. If the gentleman withdraws his amendment, it would not kill the provision. It would not kill the bill at all. It would merely defer to the conference between the House and the Senate to take it up and consider it.

If the conferees agree to it, it will be accepted. If they do not agree to it, it will not be accepted. So I just wonder if the gentleman from New Jersey, in view of our inability to get sufficient facts to justify starting out on a new policy that is liable to involve billions of dollars, at a time when we are trying to cut down expenses and keep the Government from obligating itself as much as possible, whether or not we should do that. So I suggest to the gentleman that he consider that suggestion.

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

Mr. Chairman, this seems to be a propitious moment to ask the gentleman from Texas a question. Since the report does not bring together in one place the cost of this proposed legislation, could the gentleman give us some idea of the total?

Mr. PATMAN. I defer to the gentleman from New Jersey, who initiated the amendment, to do that.

Mr. GROSS. I am not talking about the amendment. I am talking about the entire bill.

Mr. PATMAN. Oh, about $3 billion.

Mr. GROSS. How Much?

Mr. PATMAN. It is $3 billion.

Mr. GROSS. How does this compare with the actual appropriations for last year?

Mr. PATMAN. I do not recall, but the gentleman has the figures available.

Mr. GROSS. I do not. Where are they?

Mr. PATMAN. They are in the Appropriations Committee.

Mr. GROSS. I am looking at your report, but I cannot get a handle on the amount or any comparison.

Mr. PATMAN. I can give it to the gentleman. I did not want to take up his time, but if he wants me to do so, here it is:

Mr. Chairman, there are only a few money authorizations in this bill. Altogether they add up to $3.1 billion. This amount, of course, would not be all spent in 1 year because of the long-term nature of urban development programs. The largest single item is $2 billion for the urban renewal program for the next fiscal year. This is a modest increase over the $1.75 billion authorized for the current year. The next largest item of the bill is the $750 million authorized to be appropriated for the model cities program for next year. This is the same amount that was originally requested by the previous administration for the current year. The third largest item is the authorization of an additional $150 million for loans to finance housing for the elderly. The bill also would authorize the appropriation of an additional $100 million for water and sewer grants.

Mr. GROSS. Wait a minute. Stop right there. For water and sewer grants?

Mr. PATMAN. Yes.

Mr. GROSS. Did we not just authorize or appropriate $600 million, or something like that amount, for grants for the same purpose?

Mr. PATMAN. No; that was the Public Works Committee. This relates generally to small towns that need sanitation and water facilities.

Mr. GROSS. Does that not have considerations of pollution?

Mr. PATMAN. No; this is not considered in the pollution appropriation.

Mr. GROSS. That was $600 million the other day, and there is another $400 million here.

Mr. PATMAN. That is out of public works.

Mr. GROSS. I understand that perfectly.

Mr. PATMAN. Well, there is a difference, because this is for homes.

Mr. GROSS. How about rent supplements? How much is in this bill for that purpose?

Mr. PATMAN. There is nothing here for rent supplements. Let me finish this. It will not take more than a minute.

The existing authority for each of the interest subsidy programs for homeownership and for rental housing would be increased by $25 million.

Finally, the bill would add $20 million in annual contribution contract authority to the public housing program to provide for modernization and rehabilitation of existing projects and would increase the interest subsidy for college housing by $4.2 billion.

Let me say to the gentleman that this is the smallest housing bill that has come to the floor in many years but it is an important one because these authorizations and the extensions of existing authority, including FHA mortgage insuring authority, are needed to continue our existing programs.

Mr. GROSS. If this is a small bill, I would hate to see a big one come out of the gentleman's committee.

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

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

Mr. DEL CLAWSON. Mr. Chairman, I understand the gentleman from Texas said there was $2 billion in this for urban renewal programs. I believe we just passed an amendment for $1.5 billion, and that makes $3.5 billion immediately.

Mr. PATMAN. Mr. Chairman, will the gentleman yield for just one suggestion?

Mr. GROSS. I yield.

Mr. PATMAN. Mr. Chairman, the Senate bill authorizes $6.4 billion.

Mr. GROSS. I do not pay much attention to their asking price over there. They have the reputation of being the upping body of the Congress.

While the gentleman is on his feet, will he tell me, please, about the grants for fellowships, totaling $30 million, in this bill?

Mr. PATMAN. I do not see any fellowships in here.

Mr. GROSS. What are these fellowships? What do these fellows do?

Mr. PATMAN. There is nothing new in here for grants at all.

Mr. GROSS. There is $30 million on

page 29 for fellowships. What do these fellows do?

Mr. PATMAN. That is in existing law.

Mr. GROSS. I do not care whether it is existing or nonexisting law. I want to know what those fellows will do for $30 million.

Mr. PATMAN. This is only the authorization. We have to provide this in order for the Appropriations Committee to be able to pass on this.

Mr. GROSS. But the gentleman wants them to have $30 million?

Mr. PATMAN. Yes.

Mr. GROSS. What do they do?

Mr. PATMAN. It is subject to approval of the Appropriations Committee. They will go into this and make a good case or they will turn it down.

Mr. GROSS. Is there any member of the Banking and Currency Committee that can tell me what these $30 million fellows will do?

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

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

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

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

Mr. BARRETT. Mr. Chairman, I would like to point out to the gentleman from Iowa, and I think he ought to know this, in the urban renewal planning and engineering areas we are short of this type training. These people will be trained and put right into the urban areas to study the urban areas, to study problems such as model cities and the like. If we do not train these people, they will be attracted to other areas and then later on we will have no knowledgeable person to carry on this type work. Hence the reason for the training and the fellowships.

Mr. GROSS. That is a dandy. It takes $30 million to get some fellows to tell us how to spend $3.5 or $4 billion? Is this what we are talking about?

Mr. BARRETT. Mr. Chairman, will the gentleman yield again?

Mr. GROSS. Do they have to be trained to take care of "Open Space, Urban Beautification, and Historic Preservation Grants"? Do we have to spend $30 million to be told how to handle that?

Mr. BARRETT. Mr. Chairman, I can say to the gentleman that part of the $30 million would be spent on those persons' training. If we do not do this, we would be putting amateurs in there.

Mr. GROSS. Or perhaps they will tell us how the pedestrians can walk in the malls or maybe about climate controls, whatever they are, to be installed in the malls.

Mr. BARRETT. It is certainly necessary to have knowledgeable and trained people.

Mr. GROSS. With 3 million employees already on the payroll, would we have to spend $30 million for that?

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

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

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

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

Mr. HANNA. I would suggest to the gentleman that the program referred to has had some rather important payout. It has been recognized by the gentleman's party, because Mr. Moynihan is one of the products of this kind of program. I notice he has just been elevated in the administration, so I would assume they feel it has some value.

Mr. GROSS. I do not know what the gentleman is talking about. It is a riddle to me.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. WIDNALL).

The question was taken; and on a division (demanded by Mr. WIDNALL) there were—ayes 39, noes 42.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. STEPHENS

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

The Clerk read as follows:

Amendment offered by Mr. STEPHENS: On page 12, line 6, insert before the quotation mark the following new sentence: "Mortgages issued under title V of the Housing Act of 1949, except mortgages for above moderate income families issued under section 517(a) of such act, are eligible for purchase under this section."

Mr. STEPHENS. Mr. Chairman, section 111(j) of the act extends the special assistance provisions of the Government National Mortgage Association to the low- and moderate-income housing programs of the Department of Housing and Urban Development and only to these two programs. If HUD were extending its services equally to rural as well as urban America I would not move to change this section of the act. But anyone who is aware of the Nation's housing problems and what is being done about them knows that HUD has concentrated its efforts on large metropolitan areas and has left to the Farmers Home Administration of the Department of Agriculture the job of meeting the housing problems of rural America as best as this relatively small agency can.

By HUD's own admission, the housing problems of rural America are massive. Two-thirds of the Nation's substandard housing, 4.2 million units, are in rural areas. By the same token, rural America has nearly half of the Nation's poverty stricken. Both of these conditions exist despite the fact that rural areas have only 30 percent of the Nation's population.

I say these things, Mr. Chairman, to point up the inescapable conclusion that the housing problems of rural areas are proportionately far more severe than those of urban centers. Farmers Home is the only agency—for that matter the only financial vehicle—which is consistently supplying funds for low- and moderate-income housing in this vast section of the Nation. Local banks in many rural communities simply lack the capacity to make long-term home loans and meet the other credit needs of residents.

As you know, Farmers Home operates a direct, insured home loan program which is based on the revolving fund principle. As a result it must, as soon as possible, sell the mortgages it originates in order to continue to function. It almost ceased to function last spring when tight money, high interest conditions in the market, combined with the nonstandard character of its paper, prevented sale of a large amount of mortgages. At one point Farmers Home was told by the administration that it would have to close down if it did not dispose of its unsold paper. A temporary solution was later found when the Federal National Mortgage Association agreed to take $100 million in mortgages.

Mr. Chairman, the rural housing section of this bill contains provisions for streamlining the procedure for sale of Farmers Home paper. I will not go into that subject at this time. But I do want to stress the point that the specter of being confronted with a large amount of unsold paper is still a very real possibility in the future of the agency, especially since there is no indication of a letup in the prevailing tight money, high interest rate policies now being used to fight inflation and no assurance that FNMA will step into the picture again.

The logical solution to the problem is simply to extend the special assistance provisions of the Government National Mortgage Association to the Farmers Home low- and moderate-income housing programs which are comparable to those HUD programs sections 111(j) in its present form now covers. In this way some of the pressure on Farmers Home could be relieved during those times when there is a jam-up in the sale of mortgages it originates, notes which are backed by those mortgages, and mortgages which it must repurchase and sell for a second time on the market.

My proposal stems from one of a number of recommendations that were eventually produced in a joint study of rural housing conditions conducted by HUD and Farmers Home. Unfortunately the study was completed after the housing bill had been marked up and printed. Nevertheless, there is still an opportunity to embody the recommendation in the bill and I sincerely believe that it would be a serious oversight to fail to do so. I mentioned the idea expressed in the committee and at that time suggested the matter be required. However, I have altered that thought and my amendment does not direct action by GNMA.

Mr. Chairman, it is for these reasons as well as for reasons of justice and equity, that I offer my amendment to extend the provisions of section (j) to Farmers Home so that it will be able to meet the enormous housing problems of rural areas without the risk of being unnecessarily crippled.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. STEPHENS. I am glad to yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I want to commend the gentleman from Georgia both for this amendment and for the work that he has done on this bill in trying to help rectify the situation which exists with regard to housing in rural areas and housing in smaller cities and towns in this country. For most of the

last 30 years people who have been migrating from one place to another and young couples have not been able to find a house in a rural area in a small town, with a small downpayment, because the programs have been administered in such a way that builders could not secure commitments for financing for the housing with a low downpayment.

There has been a rank discrimination against those who want to live in smaller towns in this country. Sewer and water programs and housing programs have been administered in a way that discriminated against those seeking housing in these more rural areas and small towns. This has resulted in a resistance to the natural spreading of the population to the extent that today the polls show that 35 percent of the people in this country would rather live in a smaller town or city than where they do live.

Too many people in both the executive and legislative branches of Government have erroneously assumed that everyone wants to live in a large city. Too many who groan about urban problems do not look at where these people are coming from and why. Some 50,000 per year migrate from the rural areas and small towns of one State to the ghettos and urban areas of the North and most of them would prefer to go to a smaller community, but the availability of housing under Federal programs has been greatly restricted in those rural areas. And, I think it is about time that we started to turn these programs around and to treat people in all areas on an equal basis.

Mr. Chairman, I want to commend the gentleman from Georgia for the good job wihch he has done, and urge adoption of the amendment.

Mr. STEPHENS. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. STEPHENS).

The amendment was agreed to.

The CHAIRMAN. Are there any further amendments to title I?

AMENDMENT OFFERED BY MR. RYAN

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

The Clerk read as follows:

Amendment offered by Mr. RYAN: Page 6, after line 10, insert the following new section:

"MAXIMUM RENTALS FOR UNITS IN SECTION 236 PROJECTS AND UNITS QUALIFYING FOR RENT SUPPLEMENT PAYMENTS

"SEC. 109. (a) The second sentence of section 236(f) of the National Housing Act is amended by striking out '25 per centum of the tenant's income' and inserting in lieu thereof '20 per centum of the tenant's income'.

"(b) Section 101(d) of the Housing and Urban Development Act of 1965 is amended by striking out 'one-fourth of the tenant's income' and inserting in lieu thereof '20 per centum of the tenant's income'."

And renumber the succeeding sections accordingly.

Mr. RYAN. Mr. Chairman, this amendment would lower from 25 percent to 20 percent the part of a tenant's income that is spent for rent in the section 236 program and in the rent supplement program.

The high costs of housing have caused serious problems for many tenants who cannot afford to pay 25 percent of their income for rent.

Under the section 235 homeownership program, the owner of a private home has to pay only 20 percent of his income. In addition, he receives a tax deduction on the interest payments that he makes.

However, the section 236 rentor not only has to pay 25 percent of his income, but receives no tax deduction. I believe that this glaring inequity must be corrected, and that the way to correct it is by lowering the figure to 20 percent for a tenant who pays rent or a cooperator who pays carrying charges.

The rent supplement program is also plagued by the problem of high rents. Large families are forced to pay rents that they are unable to afford.

My amendment would change the requirement that a rent supplement tenant pay 25 percent of his income for rent to 20 percent, as I have proposed for those affected by the section 236 program. The rent supplement program must be made relevant to the needs of the people it is supposed to serve.

As the cost of living rises and families face increased prices for food and other essentials, it is all the more difficult for them to allocate 25 percent of their incomes for rent. It is clearly unfair to require urban residents, who rent their apartments and for most of whom under present conditions homeownership is unobtainable, to pay a higher percentage of their income for housing under the section 236 program than homeowners, who have the added advantage of income tax deductions for their interest payments, are required to pay under the Section 235 program.

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

Mr. RYAN. I would be happy to yield to the gentleman from Pennsylvania.

Mr. BARRETT. Mr. Chairman, I see no reason why we should oppose the gentleman's amendment. Therefore, if it is agreeable with the minority side, we will accept this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. RYAN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BRASCO

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

The Clerk read as follows:

Amendment offered by Mr. BRASCO: On page 12, after line 6, insert the following new section:

"RENT SUPPLEMENT UNITS IN SECTION 236 PROJECTS"

"SEC. 112. Section 101(j)(1)(D) of the Housing and Urban Development Act of 1965 is amended by inserting before the period a comma and the following: 'except that the foregoing limitation may be increased to 40 per centum of the dwelling units in any such property if the Secretary determines that such increase is necessary and desirable in order to provide additional housing for individuals and families meeting the requirements of subsection (c)'."

Mr. BRASCO. Mr. Chairman, this amendment would authorize the Secretary of Housing and Urban Development to increase to as high as 40 percent the maximum percentage of units in any section 236 project which may be occupied by tenants receiving the benefits of rent supplement payments.

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

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

Mr. PATMAN. Of course, this is not in the other bill and so far as I am concerned, if the minority is willing to accept it, we are willing to accept it.

Mr. WIDNALL. Mr. Chairman, the minority is unwilling to accept it.

Mr. PATMAN. Mr. Chairman, if the gentleman will yield further, I did not know it was in the Senate bill. I will withdraw the suggestion which I made. This would cement it in. The gentleman is all right now. It will be in conference anyway.

Mr. BRASCO. We have gone this far, Mr. Chairman, I thank the gentleman for his remarks, but I would like to continue.

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

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

Mr. BARRETT. Would it not be advisable for the gentleman to withdraw his amendment and give us an opportunity to discuss it in conference? It is in the Senate bill. You run the risk of having your amendment defeated here. It may be better for you if we have the opportunity to discuss this in conference.

Mr. BRASCO. May I ask the distinguished chairman of the subcommittee, the gentleman from Pennsylvania (Mr. BARRETT), a question? Not being a member of the subcommittee—I was not at the subcommittee hearings with respect to this, but I understand that this was a matter that was discussed in subcommittee; was it not, in terms of having testimony presented for this particular amendment?

Mr. BARRETT. It was discussed in subcommittee. But I am pointing out the opposition of the minority to your amendment and it may be voted down here. I thought in the best interest of the gentleman from New York that he might withdraw his amendment and give us a chance to discuss it in conference.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield?

Mr. BRASCO. I yield to the gentleman.

Mr. ST GERMAIN. I might say to the gentleman that not only the minority objects to this, but there are Members on the majority side who disagree with this amendment also. This has been discussed at length in committee not only this year but in previous years.

If the gentleman is familiar with the background here, the whole reason for this limitation is that in addition to the rent supplement program providing housing, it provides a social mix. There is a sociological problem involved here.

For this reason, we have objected to too high a percentage. We do not want to make ghettos out of these rent supplement projects.

Mr. BRASCO. I thank the gentleman for his contribution. Inasmuch as we

have this expression of opinion by some Members of the majority and the minority, it does not leave me much to do except to proceed.

In any event, as I was saying, under existing law, only 20 percent of units in section 236 projects may be occupied by tenants receiving the benefit of rent supplements.

I wish to emphasize that this increase would not in any way be considered mandatory. The Secretary would be permitted to make such an increase only if he determined that it was necessary and desirable in order to provide additional housing for qualified tenants under the rent supplement program.

I believe that this flexibility would be most helpful in meeting the needs of many families trapped in the web of totally inadequate housing. This discretionary authority would be especially meaningful in our large metropolitan areas where it is obvious that a large number of low- and moderate-income families are in immediate need of housing and an adequate number of new units cannot—as we discussed all day today—cannot be built because of high construction, land, and interest costs.

By permitting section 236 projects to be occupied by a greater number of tenants receiving the benefit of rent supplement payments, we would provide the Secretary with an additional tool for combating the critical housing problems of our large cities.

Further, I want to make it emphatically clear that this amendment in no way involves the expenditure of additional funds. What it does is to enable present programs to assist twice as many people who qualify under the program that we enacted by permitting them additional housing in one project.

That is all it does. I suggest again, and all of us know the critical need for housing. The programs in question have been enacted for people we said we want to help, who have no place to go and unless we can increase this 20 percent to 40 percent, the programs are of no avail to them.

I would like to answer my good friend, the gentleman from Rhode Island, with respect to his observations. No one intends, and certainly I do not, by virtue of this amendment to complicate any additional problems that we already have by virtue of the fact that this amendment seeks to increase from 20 percent to 40 percent the number of housing units available to people eligible for rent supplements.

Certainly, I do not through the use of this amendment want to create any additional ghettos. But the fact is these projects are constructed right in the neighborhoods that we are trying to rebuild and the people who are going into them are basically from that community and the only difference that may separate some of them is that they have made some modest strides toward economic—not stability—but at least progress, so they are separated from their neighbors by a few dollars difference in income. We are talking of the same area. You are not talking about creating any additional problems.

I suggest that the 60/40-percent mix is not rocking the boat in any way, and I would hope that the House Members would see fit to support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BRASCO).

The question was taken; and on a division (demanded by Mr. BRASCO) there were—ayes 13, noes 29.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. RYAN

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

The Clerk read as follows:

Amendment offered by Mr. RYAN: Page 6, after line 10, insert the following new section:

"ASSISTANCE UNDER SECTION 236 AND RENT SUPPLEMENT PROGRAMS FOR RENTAL AND COOPERATIVE HOUSING PROJECTS BUILT WITH STATE OR LOCAL FINANCING

"SEC. 110. (a) Section 236(b) of the National Housing Act is amended by striking out 'which prior to completion of construction or rehabilitation is approved' and inserting in lieu thereof: 'which prior to completion of construction or rehabilitation, or prior to obtaining permanent financing, is approved'.

"(b) The second sentence of section 101 (b) of the Housing and Urban Development Act of 1965 is amended by striking out 'which prior to completion of construction or rehabilitation is approved' and inserting in lieu thereof: 'which prior to completion of construction or rehabilitation, or prior to obtaining permanent financing, is approved'."

And renumber the succeeding sections accordingly.

Mr. RYAN (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

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

There was no objection.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. RYAN. Mr. Chairman, a major innovation of the Housing and Urban Development Act of 1968 was the section 236 interest subsidy program which has made it possible to hold rents down for lower income families through interest reduction payments. In addition to housing insured under section 236(j), Congress provided in section 236(b) that:

Interest reduction payments may be made with respect to a rental or cooperative housing project owned by a private nonprofit corporation or other private nonprofit entity, a limited dividend corporation or other limited dividend entity, or a cooperative housing corporation, which is financed under a State or local program providing assistance through loans, loan insurance, or tax abatements, and which prior to completion of construction or rehabilitation is approved for receiving the benefits of this section.

The House Subcommittee on Housing included this provision at my suggestion in order to make the section 236 interest subsidy program applicable to State and locally financed limited-profit middle-income housing, such as the New York State and city Mitchell-Lama programs. This type program exists in seven States—Connecticut, Illinois, Massachusetts, Michigan, New Jersey, New York, and Pennsylvania.

Last year's amendment required that approval for interest subsidies be given prior to completion of construction. Therefore, it did not apply to existing projects. At the same time, Mitchell-Lama housing was made eligible for rent supplements.

Many existing projects need assistance in order to keep rents, carrying charges, and interest rates within reach of middle-income residents. Therefore, I introduced H.R. 49—H.R. 4308 with cosponsors—to extend the section 236 interest subsidy and rent supplement programs to existing projects.

The purpose of my amendment is simply to extend the section 236 interest subsidy and rent supplement programs to State and municipally financed projects which have not obtained permanent financing although they may have been constructed or rehabilitated prior to 1968.

The problem is illustrated by the Mitchell-Lama program in New York—a program intended to provide middle-income housing. However, high interest rates and high construction costs, have resulted in rents and carrying charges that middle-income people are unable to afford. Many of the original tenants of Mitchell-Lama housing find it impossible to remain in their homes, having invested most of their savings to make the equity payments on their apartments.

The Mitchell-Lama program is in severe financial difficulty. Approximately 58,000 units of Mitchell-Lama housing built between 1963 and 1969—which originally was supposed to be financed at interest rates of 3 percent to 3½ percent—are on temporary financing at 4½ percent. It is expected that permanent financing will be at a rate of at least 6 percent. This means that families living in Mitchell-Lama developments will have to pay a large increase in their carrying charges—an increase of 20 percent or higher.

It is essential to keep carrying charges and rents at a level commensurate with the income of middle-income tenants.

Such a program would be less expensive for the Federal Government than the regular section 236 program. It would cost less to subsidize the interest rates on State and locally financed housing programs down to 1 percent than it would to do the same for a privately financed project. This is because the interest rates on housing projects like the Mitchell-Lama program are already below the regular market price.

Under the Mitchell-Lama program in New York, the State floats bonds, the proceeds of which may be lent to sponsors of middle-income housing. In order to be able to borrow funds, the sponsor must agree to limit his rate of return on the housing facility. Costs are also kept down by abatement or real estate taxes. A similar program exists in New York City. However, costs are on the rise—in 1961, the per room cost was $26. In 1968, it was $36. Today it is reaching $60.

This amendment will help to alleviate the crisis facing State and local housing programs, which has been caused by spiraling interest rates.

If our middle-income families are going to be able to stay in our inner cities, they will have to be able to find housing

within their financial ability. My proposal would make the continued existence of such housing possible.

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

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

Mr. BARRETT. The gentleman's amendment refers to the Mitchell-Lama Projects?

Mr. RYAN. That is correct.

Mr. BARRETT. The gentleman knows that this is a very complicated amendment. It needs to be studied further. I think the gentleman ought to give us an opportunity to bring this back into the committee next year, and certainly we will be glad to make a full study of it and do what we can to aid those people in the Mitchell-Lama projects. I would hope that the gentleman would withdraw his amendment at this time.

Mr. RYAN. Mr. Chairman, in view of the statement of the distinguished Chairman of the subcommittee and the assurances which he has given us that the committee will make a thorough study and investigation of the problem facing occupants of Mitchell-Lama type housing, and also in view of my own knowledge of the gentleman's expressed concern with this problem, I ask unanimous consent to withdraw the amendment.

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

There was no objection.

The CHAIRMAN. The amendment has been withdrawn.

If there was no further amendments to title I, the Clerk will read.

The Clerk read as follows:

TITLE II—URBAN RENEWAL AND HOUSING ASSISTANCE PROGRAMS

URBAN RENEWAL GRANT AUTHORITY

SEC. 201. (a) The first sentence of section 103(b) of the Housing Act of 1949 is amended by inserting before the period at the end thereof the following: ", of which increase at least $400,000,000 shall be for grants under part B, and which amount shall be further increased by $2,000,000,000 on July 1, 1970, of which increase at least 35 per centum shall be for grants under part B".

(b) The first paragraph of section 103(b) of such Act is further amended by adding at the end thereof (immediately after the sentence amended by subsection (a) of this section) the following new sentence: "In making any grants under this title, the Secretary shall give priority to applications for projects which are identified and scheduled to be carried out as projects or activities included within approved comprehensive city demonstration programs assisted under the provisions of section 105(c) of the Demonstration Cities and Metropolitan Development Act of 1966."

NEIGHBORHOOD DEVELOPMENT PROGRAMS

SEC. 202. (a) Section 131 of the Housing Act of 1949 is amended by striking out "annual" in subsection (b) and (c)(1) and inserting in lieu thereof "twenty-four month".

(b) Section 132 of such Act is amended—

(1) by striking out "twelve-month period" in subsections (a)(1) and (b) and inserting in lieu thereof "twenty-four month period"; and

(2) by striking out "twelve months" in subsection (a)(1) and inserting in lieu thereof "twenty-four months".

(c) Section 133(b) of such Act is amended by striking out "twelve-month period" and inserting in lieu thereof "twenty-four month period".

(d) Section 134(a) of such Act is amended by striking out "annual" in paragraphs (3) and (5) and inserting in lieu thereof "twenty-four month".

(e) Section 134(b) of such Act is amended to read as follows:

"(b) The approval by the Secretary of financial assistance for one or more twenty-four-month increments of a neighborhood development program shall not be considered as obligating him to provide financial assistance for subsequent increments; except that amounts approved by the Secretary for the succeeding twenty-four-month increment shall be reserved for obligation out of grant funds which may be provided under section 193(b) for the fiscal year applicable to such subsequent increment."

(f) The amendments made by this section shall apply with respect to contracts under part B of title I of the Housing Act of 1949 executed on and after July 1, 1970; and any contract under such part B executed prior to July 1, 1970, shall, at the request of the municipality involved, be amended (effective on or after such date) to reflect such amendments.

EXTENSION OF PERIOD OF ELIGIBILITY OF LOCAL GRANTS-IN-AID FOR CERTAIN URBAN RENEWAL AND NEIGHBORHOOD DEVELOPMENT PROJECTS

SEC. 203. (a) The second paragraph of section 110(d) of the Housing Act of 1949 is amended—

(1) by inserting "(except the second sentence of this paragraph)" after "any other provision of this subsection"; and

(2) by adding at the end thereof the following new sentence: "In connection with any project for which an application is filed not later than the date of the enactment of the Housing and Urban Development Act of 1969 and which has not received Federal recognition (other than a project to which clause (2) of the second sentence of section 133(a) applies), the three-year period referred to above shall be extended to a period of four years prior to the authorization by the Secretary of a contract for loan or capital grant for the project."

(b) Section 133(a) of such Act is amended—

(1) by striking out "For" and inserting in lieu thereof "Except as otherwise provided in this subsection, for";

(2) by striking out "the second paragraph" and inserting in lieu thereof "the first sentence of the second paragraph"; and

(3) by adding at the end thereof the following new sentence: "In connection with any neighborhood development program for which an application is filed not later than the date of the enactment of the Housing and Urban Development Act of 1969 and for which no contract for financial assistance under the program has been authorized by the Secretary, the three-year period referred to above shall be extended to a period of four years prior to authorization of (1) the first contract for financial assistance under the program which includes the urban renewal area benefited by the public improvement or facility for which credit is claimed, or (2) a contract for a loan or capital grant for an urban renewal project authorized after the date of the enactment of the Housing and Urban Development Act of 1969, in an area which is benefited by the public improvement or facility for which credit is claimed and which was included in the neighborhood development program application."

INCLUSION OF ENCLOSED PEDESTRIAN MALLS AS ELIGIBLE URBAN RENEWAL ACTIVITIES

SEC. 204. (a) Section 110(c)(3) of the Housing Act of 1949 is amended by inserting after "playgrounds," the following: "pedestrian malls and walkways (including in the case of an enclosed mall or walkway any necessary roofs, walls, columns, lighting, and climate control facilities),".

(b) The first sentence of the second unnumbered paragraph following paragraph (10) of section 110(c) of such Act is amended by inserting after "provided" the following: "in paragraph (3) with respect to enclosed pedestrian malls and walkways and as provided".

REHABILITATION GRANTS

SEC. 205. Section 115(c) of the Housing Act of 1949 is amended by striking out "or (2) $3,000" and inserting in lieu thereof "or (2) $3,500".

LOCAL GRANT-IN-AID CREDIT FOR CERTAIN FACILITIES BUILT ON BEHALF OF PUBLIC UNIVERSITIES

SEC. 206. Clause (A)(ii) of the second proviso in section 110(d) of the Housing Act of 1949 is amended by striking out "by a public university" and inserting in lieu thereof "by or on behalf of a public university".

INCOME LIMITATION UNDER REHABILITATION LOAN PROGRAM

SEC. 207. Section 312(a) of the Housing Act of 1964 is amended by striking out the last sentence and inserting in lieu thereof the following:

"In making loans with respect to residential property under this section, priority shall be given to applications made by persons whose annual income, as determined pursuant to criteria and procedures established by the Secretary, is within the limitations prescribed by the Secretary for occupants of projects financed with below-market interest rate mortgages insured (in the area involved) under section 221(d)(3) of the National Housing Act."

LOANS FOR PUBLIC HOUSING PROJECTS

SEC. 208. Section 9 of the United States Housing Act of 1937 is amended by striking out the third sentence.

PUBLIC HOUSING ANNUAL CONTRIBUTIONS

SEC. 209. (a) The proviso in section 10(b) of the United States Housing Act of 1937 is amended by inserting after "any contract" the following: ", although not limited to debt service requirements,".

(b) The first sentence of section 10(e) of such Act is amended by striking out "on July 1 in each of the years 1969 and 1970" and inserting in lieu thereof "on July 1, 1969, and $170,000,000 on July 1, 1970".

ROOM COST LIMITATIONS FOR PUBLIC HOUSING PROJECTS

SEC. 210. The first sentence of section 15(5) of the United States Housing Act of 1937 is amended by striking out "$2,400", "$3,500", "$4,000", and "$750" wherever they appear and inserting in lieu thereof "$2,640", "$3,850", "$4,400", and "$825", respectively.

MANAGEMENT AND SERVICES IN PUBLIC HOUSING PROJECTS

SEC. 211. The last sentence of section 15(10) of the United States Housing Act of 1937 is amended by striking out "July 1, 1970" and inserting in lieu thereof "July 1, 1971".

ELIMINATION OF WORKABLE PROGRAM REQUIREMENT WITH RESPECT TO LOW-RENT HOUSING IN PRIVATE ACCOMMODATIONS AND OTHER LOW-RENT PUBLIC HOUSING, AND WITH RESPECT TO MORTGAGE INSURANCE UNDER SECTION 221(d)(3) PROGRAM

SEC. 212. (a) Section 101(c) of the Housing Act of 1949 is amended—

(1) by striking out "or for annual contributions or capital grants pursuant to the United States Housing Act of 1937, as amended, for any project or projects not constructed or covered by a contract for annual contributions prior to August 1, 1956,";

(2) by striking out "or section 221(d)(3)";

(3) by striking out "(i)", and "or (ii) section 221(d)(3) of the National Housing Act

if payments with respect to the mortgaged property are made or are to be made under section 101 of the Housing and Urban Development Act of 1965,", in the first proviso; and

(4) by striking out "or a contract for annual contributions or capital grants was entered into pursuant to the United States Housing Act of 1937,".

(b) The second proviso in section 10(e) of the United States Housing Act of 1937 is amended by striking out "no such new contract" and all that follows down through "Housing Act of 1949, and".

(c) Section 23(f) of the United States Housing Act of 193' is amended by striking out all that follows "this Act" and inserting in lieu thereof 'shall not apply to low-rent housing assisted or to be assisted under this section."

AUTHORIZATION FOR HOUSING FOR THE ELDERLY OR HANDICAPPED

SEC. 213. Section 202(a)(4) of the Housing Act of 1959 is amended to read as follows:

"(4) There is authorized to be appropriated for the purposes of this section not to exceed $500,000,000, which amount shall be increased by $150,000,000 on July 1, 1969. Amounts so appropriated shall constitute a revolving fund to be used by the Secretary in carrying out this section."

AUTHORIZATION FOR COLLEGE HOUSING DEBT SERVICE GRANTS

SEC. 214. Section 401(f)(2) of the Housing Act of 1950 is amended by striking out all that follows "exceed" and inserting in lieu thereof "$20,000,000 which amount shall be increased by $4,200,000 on July 1, 1970."

Mr. PATMAN (during the reading). Mr. Chairman, since all Members have copies of the bill before them, I ask unanimous consent that further reading of title II be dispensed with, that it be printed in the RECORD, and open to amendment at any point.

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

There was no objection.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 20, line 9, insert "where it first appears" after "Act".

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. WIDNALL

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

The Clerk read as follows:

Amendment offered by Mr. WIDNALL: Page 17, after line 19, insert the following new section and renumber the remaining sections of Title II accordingly:

"SEC. 208. The proviso in the first paragraph of section 102(c) of the Housing Act of 1949 is amended by—

"(1) striking ', if';

"(2) striking ', the interest rate on such a loan from a source other than the Federal Government is greater than the rate at which funds could be made available under the Federal loan contract,';

"(3) striking 'from such sources' and inserting in lieu thereof 'from a source other than the Federal Government'; and

"(4) inserting 'or a supplemental grant in an amount which he determines is necessary to enable a local public agency to obtain funds from a source other than the Federal Government' immediately following 'contract rate'."

Mr. WIDNALL. Mr. Chairman, the urban renewal law presently authorizes the Secretary of Housing and Urban Development to make supplemental grants to local public agencies under certain circumstances so that these agencies may continue to secure loan funds for their urban renewal projects from private sources instead of borrowing from the Federal Government. This amendment would make the Secretary's present supplemental grant authority more flexible to enable him to cover some additional cases, not previously anticipated, which could arise because of changes in the money market. Without this amendment there could be cases where local public agencies would be forced to secure their loan funds from the Federal Government, even if the applicable rate of interest for a Federal loan is higher than the rate charged by the private lender.

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

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

Mr. PATMAN. Mr. Chairman, in view of the gentleman's interest, we have given special consideration to this amendment and we are on this side willing to accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. WIDNALL).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PICKLE

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

The Clerk read as follows:

Amendment offered by Mr. PICKLE: Page 20, after line 11, insert the following new section:

"REVIEW OF RELOCATION PLANS UNDER URBAN RENEWAL PROGRAM

"SEC. 213. Section 105(c) of the Housing Act of 1949 is amended by adding at the end thereof the following new paragraph:

"'(3) Within one year after the date of enactment of this paragraph, and every two years thereafter, the Secretary shall review each locality's relocation plan under this subsection and its effectiveness in carrying out such plan.'"

And renumber the succeeding sections accordingly.

Mr. PICKLE. Mr. Chairman, yesterday in general debate I pointed out that the report indicated that there was no current plan to make a complete evaluation of relocation plans on urban renewal of neighborhood development programs. It was admitted that relocation of families is the biggest single worry we have in these two programs. While the urban renewal agencies have done commendable work, we all realize that we need to do better. The only way we know if these relocation plans are working satisfactorily or not is for us to be furnished with full, complete information by the Secretary. I do not think it is enough to suppose simply that this will be done by report in the next 2 or 3 years. I think we should direct the Secretary to make an immediate study and evaluation on relocation of families and make this report to the Congress within the next year. Thereafter it might be sufficient to require this report every 2 years.

I have talked with various groups in my own city of Austin, Tex., about this problem and I think we all recognize that we need to do all we can to see that the least inconvenience possible be made to those persons who are displaced. The study and evaluation directed by this amendment would be sizable but I think there is a need for it and I strongly recommend its enactment.

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

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

Mr. PATMAN. Mr. Chairman, we have studied the amendment offered by the gentleman from Texas (Mr. PICKLE) and we on our side are willing to accept it. We think it is very reasonable and an improvement.

Mr. PICKLE. Mr. Chairman, I thank the chairman of the committee.

Mr. WIDNALL. Mr. Chairman, if the gentleman from Texas will yield, the minority finds the amendment acceptable and approves it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. PICKLE).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HANLEY

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

The Clerk read as follows:

Amendment offered by Mr. HANLEY: Page 15, after line 5, insert the following new subsection:

"(b) Section 112(b) of such Act is amended—

"(1) by striking out 'No expenditure' and inserting in lieu thereof 'Subject to the second sentence of this subsection, no expenditure'; and

"(2) by adding at the end thereof the following new sentence: 'In connection with any project for which an application is filed not later than the date of the enactment of the Housing and Urban Development Act of 1969 and which has not received Federal recognition (other than a project to which clause (2) of the second sentence of section 133(a) applies), the seven-year period referred to in clause (1) of the preceding sentence shall be extended to a period of eight years prior to the authorization by the Secretary of a contract for a loan or capital grant for the project.'"

Page 15, line 6, strike out "(b)" and insert "(c)".

Page 15, lines 19 through 21, strike out "the three-year period referred to above shall be extended to a period of four years" and insert "the three-year and seven-year periods referred to above shall be extended to periods of four and eight years, respectively,".

Page 15, line 24, after "facility" insert ", or the expenditures,".

Page 16, line 4, after "facility" insert ", or the expenditures,".

Mr. BARRETT (during the reading). Mr. Chairman, I ask unanimous consent to dispense with further reading of the amendment and that it be printed in the RECORD.

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

There was no objection.

Mr. HANLEY. Mr. Chairman, H.R. 13827 recognizes that communities which opted for neighborhood development programs instead of "lump sum" urban renewal programs are facing un-

due delays which are endangering certain local grants-in-aid which are charged against the local share. H.R. 13827 extends the 3-year limit to a 4-year limit for other eligible credits for public improvements or facilities for projects with pending applications.

It is felt that H.R. 13827 ought also to extend the time period devised for expenditures made by colleges and hospitals in urban renewal areas and which can be counted as local grants-in-aid. Section 112 of the Housing Act deals with this matter.

It is felt that Syracuse, and certainly other communities with pending applications for projects with heavy hospital and university participation are going to be losing credits which they have counted on solely because of the Federal delay now being experienced. We feel that H.R. 13827 ought to be amended to provide some consideration to section 112 credits that it provides to credits arising out of section 110(d).

Communities, in good faith, followed the urging of HUD and moved over to NDP, in the hope of moving faster on their projects. The damage and hard feelings created by the delays ought not to be compounded by the forced loss of needed credits against the local share.

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

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

Mr. MOORHEAD. Mr. Chairman, section 209 of the committee bill provides vital assistance to 15 local public housing authorities which are now threatened with bankruptcy because their rental income is too low to meet normal operating expenses.

As many Members know, public housing authorities in our large cities are being called upon to provide housing for a progressively larger proportion of the Nation's very poor families, and the rents these families can afford to pay simply cannot keep pace with sharply increasing operating costs. As a result, 15 housing authorities now face—and many others may soon face—serious financial problems because their normal operating expenses cannot be met out of project income.

Under existing law, the Federal Government makes annual contributions to local housing authorities in amounts necessary to assure the low-rent character of the projects. However, these contributions have been limited to amounts required to cover debt service on the capital cost of the project, even though amounts covering debt service are below the statutory maximum permitted under the U.S. Housing Act of 1937. The local authority is expected to cover operating expenses out of the project's rental income.

Section 209 would permit HUD to make annual contributions in excess of the project's debt service requirements. However, HUD could not make contributions in amounts higher than the statutory maximum permitted in the act—currently 7⅝ percent, the going Federal rate plus 2 percent, on the development cost of the project.

It is my understanding that, in the case of the 15 authorities in "serious financial condition," HUD intends to make contributions above debt service requirements only in the amounts necessary to meet each authority's operating deficit for the year. For example, if, first, the maximum annual contribution permitted by law were $10 million; second, the fixed contribution permitted for debt service were $6 million; and, third, the authority incurred a $1.5 million deficit in operating expenses, HUD would cover only the authority's $1.5 million operating deficit, even though the new formula would permit an additional subsidy of up to $4 million.

Mr. Chairman, this provision is essential in order to avert bankruptcy for housing authorities in 15 of our largest cities—Washington, D.C.; Kansas City, Mo.; San Francisco, Calif.; St. Louis, Mo.; Columbus, Ohio; New York City; New Haven, Conn.; Omaha, Nebr.; Boston, Mass.; Newark, N.J.; Chicago, Ill.; Los Angeles, Calif.; Philadelphia, Pa.; Louisville, Ky.; and Detroit, Mich. For fiscal year 1970, these authorities will need approximately $6.5 million in additional subsidy under the revised formula. In subsequent years, other authorities may well require similar assistance.

Mr. BARRETT. Mr. Chairman, if the gentleman from New York will yield, we have had an opportunity to examine the amendment and find no reason to oppose it.

Mr. WIDNALL. Mr. Chairman, if the gentleman will yield, we have no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. HANLEY).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WEICKER

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

The Clerk read as follows:

Amendment offered by Mr. WEICKER: Page 20, after line 11, insert the following new section:

"REQUIREMENT OF SUBSTANTIAL RESIDENTIAL REDEVELOPMENT WHERE PROJECT INVOLVES DEMOLITION OR REMOVAL OF RESIDENTIAL STRUCTURES

"SEC. 213. Section 105 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsection:

"'(h) In the case of any project which includes the demolition or removal of any residential structure or structures and which receives Federal recognition after the date of the enactment of this subsection (whether or not it is a project taken into account for purposes of applying subsection (f))—

"'(1) the redevelopment of the urban renewal area shall include the provision of standard housing units for low and moderate income families and individuals at least equal in number to the total number of dwelling units in the structure or structures demolished or removed; and

"'(2) the portion of the total cost of such redevelopment which is attributable to the provision of standard housing units for low and moderate income families and individuals (as determined by the Secretary) shall be at least 35 per centum or, if greater, a percentage bearing the same ratio to 100 as the total appraised value of such residential structure or structures bore to the total appraised value of all the structures in the urban renewal area immediately prior to their demolition or removal (as determined by the Secretary, without regard to any decrease in such value which may have resulted from the imminence of such demolition or removal).'"

And renumber the succeeding sections accordingly.

Mr. WEICKER. Mr. Chairman, this amendment adds a direction, not money, to the bill.

At the present time when the term "urban renewal" is used it is the general belief that housing is involved. On the other hand, as urban renewal has been actually used I would say the emphasis has been placed not on housing but on office complexes and shopping centers.

It is all right to go ahead and say that relocation takes care of that problem. I supported and was delighted to support the amendment of the gentleman from Texas. But the fact remains that no new housing is created in a city through relocation.

The Urban Renewal Act, as it now stands, does not have any requirement for housing. Only if housing is a part of the urban renewal plan is it then necessary to have a percentage go into low- and moderate-income housing. But there is no requirement that there be any housing whatsoever.

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

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

Mr. BARRETT. I want to call attention to the fact that there is a requirement here. I read the following:

The Senate bill contained a provision requiring that a majority of the housing units in urban renewal areas to be developed for predominately residential uses be for low- and moderate-income families. The House amendment required that a majority of the housing units in each community's urban renewal projects to be developed for predominately residential uses be for low and moderate income families and that at least 20 percent of the total units in such projects in each community be for low-income families.

Mr. WEICKER. With due respect to the gentleman from Pennsylvania, the fact remains this is exactly the point I am trying to make. If housing is called for in the plan then, yes, 20 percent has to be devoted to low- and moderate-income housing. The way the law presently reads there is no requirement there be any housing in the plan whatsoever.

What is happening is that they go into areas, raze the residential substandard housing, and put in shopping centers and office complexes. They are not replacing them with any new housing. That is the fact of the situation.

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

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

Mr. ASHLEY. Does the gentleman really mean to say that we in Washington should determine for the local communities the kind of renewal they should have?

Mr. WEICKER. No. I do not mean to say that.

Mr. ASHLEY. But that is what the gentleman's amendment would do.

Mr. WEICKER. All right. Then if the

gentleman puts that interpretation on it, he is entitled to do so. What I am saying is that as far as urban renewal is concerned, if the area contains no housing there is no requirement that any housing be put back into it, but where housing—residences—are being razed, there should be some requirement that a certain minimum number should go back in. At the present time, certainly in the cities in the Northeast, they do not have this requirement. Relocation creates nothing new. Cities go ahead and ask the surrounding towns why they do not go ahead and take care of their own particular problems. As far as this program is concerned, it is not urban renewal, but is urban withdrawal now.

This amendment very simply gives direction. It does not cost 1 cent. The amendment says, and I repeat, that when housing is to be torn down in an area scheduled for urban renewal, then said plan of renewal shall call for at least an equivalent number of standard housing units.

This amendment says that the consideration of building up the tax list going on in the cities cannot override the priority of building decent homes.

If the surburbs are bedroom towns, then the cities in my State are becoming office, shipping center complexes. That is not urban renewal; it is urban withdrawal.

If under present practical use of our urban renewal laws urban renewal has become comfortable and secure because it rests on the affluence of commerce, then I believe the time has come to remind the potential users of these funds that the Federal role is a gamble for people, not a sure loan for beauty, convenience, and profits.

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

Mr. WEICKER. I yield to the gentleman from New Jersey.

Mr. WIDNALL. In connection with the existing housing law, it provides that in a residential renewal project at least 20 percent must be for low-income housing. Would your amendment affect the existing law?

Mr. WEICKER. Yes; to the extent where your amendment takes over there is a plan for housing, but the situation I am trying to cover here is when there is an urban renewal project and there is no plan for housing whatsoever, yet housing has been torn down, yes, it makes the community recognize that it has been torn down, and makes it put it back into the housing stream.

Mr. WIDNALL. I thank the gentleman.

Mr. BARRETT. Mr. Chairman, I rise in opposition to the amendment. The urban renewal law already includes carefully worked out language to assure the production of housing for low- and moderate-income families. In committee and in conference we worked hard to perfect this language, and in my judgment it would be an error to accept this statement without careful study. The fact is that many urban renewal projects are aimed at reducing overcrowing in our cities and it would be a mistake to require a unit-for-unit replacement in every case. Moreover, to achieve the income balance which is generally considered desirable, it would be a mistake to make urban renewal projects simply new income ghettos. Also the amendment fails to recognize the need for some commercial redevelopment where this is desirable for the neighborhood and for the city as a whole. The objective of the gentleman from Connecticut is laudable but the problem is too complex to be met with oversimplified language like this. The provision of low- and moderate-income housing is not the responsibility of urban renewal alone, but calls for the use of all of our housing programs including our urban renewal programs, public housing, interest subsidies, below-market interest rate loans, housing for the elderly, and so forth. Let me assure the gentleman that the committee is working to achieve his goal but I hope that this amendment will be defeated.

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

Mr. BARRETT. Yes, I would be glad to yield to the gentleman.

Mr. WEICKER. Is it not true that many of the subsequent programs that have come forth in the housing field might very well be the product of the urban renewal program in that it has displaced people insofar as housing is concerned but did not create any new housing and thus it might also be true that Federal funds used for urban renewal have created a housing problem in this field?

Mr. BARRETT. I would say to the gentleman that this is probably right in some cities. But there are many other cities that have been very, very careful on relocation of families as well as businesses and have done a wonderful job.

Mr. WEICKER. Mr. Chairman, if the gentleman will yield further, would the gentleman indicate as to whether or not relocation does not create a new housing development?

Mr. BARRETT. Relocation in some respects creates housing.

Mr. WEICKER. Creates new housing?

Mr. BARRETT. The relocation procedure, of which I am speaking, is to use existing housing. It is supervised very carefully to see that those people who are relocated from a slum live in a better home. We want the people who live in the urban renewal neighborhood to have a better environment in the new area in which they are relocated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. WEICKER).

The question was taken; and on a division (demanded by Mr. WEICKER) there were—ayes 26, noes 27.

Mr. WEICKER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. WEICKER and Mr. PATMAN.

The Committee again divided, and the tellers reported that there were—ayes 48, noes 50.

So the amendment was rejected.

The CHAIRMAN. Are there any further amendments to title II? If not, the Clerk will read.

The Clerk read as follows:

TITLE III—MODEL CITIES AND METROPOLITAN DEVELOPMENT PROGRAMS

AUTHORIZATION FOR MODEL CITIES PROGRAM

SEC. 301. (a) Section 111(b) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by striking out "and" the third time it appears;

(2) by inserting before the period at the end thereof the following: ", and not to exceed $750,000,000 for the fiscal year ending June 30, 1971"; and

(3) by adding at the end thereof the followng new sentence: "Under regulations prescribed by the Secretary, 10 per centum of the amounts appropriated pursuant to this subsection for the fiscal year ending June 30, 1970, and for any fiscal year thereafter shall be used for assistance to city demonstration agencies in smaller cities, and may be so used (to the extent specifically provided in such regulations) without regard to the limitation set forth in the first sentence of section 105(c)."

(b) Section 111(c) of such Act is amended by striking out "1970" and inserting in lieu thereof "1971".

AUTHORIZATION FOR COMPREHENSIVE PLANNING GRANTS

SEC. 302. The fifth sentence of section 701 (b) of the Housing Act of 1954 is amended by striking out "and not to exceed $390,000,000 prior to July 1, 1970" and inserting in lieu thereof "and not to exceed $390,000,000 prior to July 1, 1971".

URBAN INFORMATION AND TECHNICAL ASSISTANCE SERVICES

SEC. 303. (a) Section 701(a) of the Housing Act of 1954 is amended—

(1) by striking out "and" at the end of paragraph (10);

(2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (11) the following new paragraph:

"(12) States, including statewide agencies or instrumentalities of a State or its political subdivisions which are designated by the Governor of the State and acceptable to the Secretary, for programs focused upon the needs of communities having populations less than one hundred thousand which provide information and data on urban needs and urban assistance programs and activities and technical assistance to such communities with respect to the solution of local problems."

(b) Title IX of the Demonstration Cities and Metropolitan Development Act of 1966 is repealed.

AUTHORIZATION FOR OPEN SPACE, URBAN BEAUTIFICATION, AND HISTORIC PRESERVATION GRANTS

SEC. 304. The first sentence of section 702(b) of the Housing Act of 1961 is amended by striking out "and not to exceed $460,000,000 prior to July 1, 1970" and inserting in lieu thereof "and not to exceed $460,000,000 prior to July 1, 1971".

AUTHORIZATION FOR NEW COMMUNITY SUPPLEMENTARY ASSISTANCE GRANTS

SEC. 305. Section 412(d) of the Housing and Urban Development Act of 1968 is amended by striking out "July 1, 1970" and inserting in lieu thereof "July 1, 1971".

COMMUNITY FACILITIES GRANTS

SEC. 306. (a) Section 708(b) of the Housing and Urban Development Act of 1965 is amended by striking out "1970" and inserting in lieu thereof "1971".

(b) The second sentence of section 708(a) of such Act is amended by inserting before the period at the end thereof the following: ", and not to exceed $100,000,000 for the fiscal year commencing July 1, 1970".

TRAINING AND FELLOWSHIP PROGRAMS

SEC. 307. Title VIII of the Housing Act of 1964 is amended to read as follows:

"TITLE VIII—TRAINING AND FELLOWSHIP PROGRAMS

"FINDINGS AND PURPOSE

"SEC. 801. (a) The Congress finds that the rapid expansion of the Nation's urban areas and urban population has caused severe problems in urban and suburban development and created a national need to (1) provide special training in skills needed for economic and efficient community development, and (2) support research in new or improved methods of dealing with community development problems.

"(b) It is the purpose of this title to provide fellowships for the graduate training of professional city planning and urban and housing technicians and specialists, and to assist and encourage the States, in cooperation with public or private universities and colleges and urban centers and with business firms and associations, labor unions, and other interested associations and organizations, to (1) organize, initiate, develop, and expand programs which will provide special training in skills needed for economic and efficient community development to those technical, professional, and other persons with the capacity to master and employ such skills who are, or are training to be, employed by a governmental or public body which has responsibility for community development, or by a private nonprofit organization which is conducting or has responsiility for housing and community development programs, and (2) support State and local research that is needed in connection with housing programs and needs, public improvement programing, code problems, efficient land use, urban transportation, and similar community development problems.

"FELLOWSHIPS FOR CITY PLANNING AND URBAN STUDIES

"SEC. 802. (a) The Secretary is authorized to provide fellowships for the graduate training of professional city planning and urban and housing technicians and specialists as herein provided. Persons shall be selected for such fellowships solely on the basis of ability and upon the recommendation of the Urban Studies Fellowship Advisory Board established pursuant to subsection (b). Fellowships shall be solely for training in public and private nonprofit institutions of higher education having programs of graduate study in the field of city planning or in related fields (including architecture, civil engineering, economics, municipal finance, public administration, and sociology), which programs are oriented to training for careers in city and regional planning, housing, urban renewal, and community development.

"(b) There is hereby established the Urban Studies Fellowship Advisory Board (hereinafter referred to as the 'Board'), which shall consist of nine members to be appointed by the Secretary as follows: Three from public institutions of higher learning and three from private nonprofit institutions of higher education, who are the heads of departments which provide academic courses appropriately related to the fields referred to in subsection (a), and three from national organizations which are directly concerned with problems relating to urban, regional, and community development. The Board shall meet upon the request of the Secretary and shall make recommendations to him with respect to persons to be selected for fellowships under this section. Members of the Board shall be entitled to receive transportation expenses and a per diem in lieu of subsistence as authorized for members of advisory committees created pursuant to section 601 of the Housing Act of 1949.

"MATCHING GRANTS TO STATES

"SEC. 803. (a) Subject to the provisions of this title and in accordance with regulations prescribed by him, the Secretary may make matching grants to States to assist in—

"(1) organizing, initiating, developing, or expanding programs to provide special training in skills needed for economic and efficient community development to those technical, professional, and other persons with the capacity to master and employ such skills who are, or are training to be, employed by a governmental or public body which has responsibilities for community development, or by a private nonprofit organization which is conducting or has responsibility for housing and community development programs; and

"(2) supporting State and local research that is needed in connection with housing programs and needs, public improvement programing, code problems, efficient land use, urban transportation, and similar community development problems, and collecting, collating, and publishing statistics and information relating to such research.

"(b) No grants may be made to a State under this section unless the Secretary has approved a plan for the State which—

"(1) sets forth the proposed use of the funds and the objectives to be accomplished;

"(2) explains the method by which the required amounts from non-Federal sources will be obtained;

"(3) provides such fiscal control and fund accounting procedures as may be reasonably necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State under this section;

"(4) designates an officer or agency of the State government who has responsibility and authority for the administration of a statewide research and training program as the officer or agency with responsibility and authority for the execution of the State's program under this section; and

"(5) provides that such officer or agency will make such reports to the Secretary, in such form, and containing such information, as may be reasonably necessary to enable the Secretary to perform his duties under this section.

"(c) No grant may be made under this section for any use unless an amount at least equal to such grant is made available from non-Federal sources for the same purpose and for concurrent use.

"STATE LIMIT

"SEC. 804. Not more than 10 per centum of the total amount appropriated for the purposes of this title may be used for making grants to any one State.

"TECHNICAL ASSISTANCE, STUDIES, AND PUBLICATION OF INFORMATION

"SEC. 805. In order to carry out the purpose of this title, the Secretary is authorized to provide technical assistance to State and local governmental or public bodies and to undertake such studies and publish and distribute such information, either directly or by contract, as he shall determine to be desirable. Nothing contained in this title shall limit any authority of the Secretary under any other provision of law.

"APPROPRIATIONS

"SEC. 806. There is authorized to be appropriated for the purpose of making grants and providing fellowships under this title, without fiscal year limitation, not to exceed $30,000,000. Any amounts appropriated under this section shall remain available until expended.

"MISCELLANEOUS

"SEC. 807. (a) As used in this title the term 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands; and the term 'Secretary' means the Secretary of Housing and Urban Development.

"(b) There are authorized to be appropriated such sums as may be necessary for administrative and other expenses in carrying out this title."

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: On page 23, strike out lines 16 through 18 and insert:

"SEC. 306. (a) Section 702(c) of the Housing and Urban Development Act of 1965 is amended by striking out '1969' in clause (2) and inserting in lieu thereof '1970'.

"(b) Section 708(b) of such Act is amended by striking out '1970' and inserting in lieu thereof '1971'."

And on line 25 strike out "(b)" and insert "(c)".

The committee amendments were agreed to.

AMENDMENT OFFERED BY MR. WIDNALL

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

The Clerk read as follows:

Amendment offered by Mr. WIDNALL: Page 24, after line 3, insert the following new section:

"URBAN MASS TRANSPORTATION

"SEC. 307. (a) The first sentence of section 4(b) of the Urban Mass Transportation Act of 1964 is amended—

"(1) by striking out 'and' the second time it appears; and

"(2) by striking out the period and inserting in lieu thereof '; and $300,000,000 for fiscal year 1971.'

"(b) Section 5 of such Act is amended by striking out '1970' and inserting in lieu thereof '1971'."

And renumber the succeeding section accordingly.

Mr. WIDNALL. Mr. Chairman, as is becoming more abundantly apparent day by day, one of the major problems facing our cities is the crisis in public transportation. Right here in Washington, most of us get a daily demonstration of the snarled traffic, the increased pollution, the delay, waste, and frustration that ever increasingly blight our urban areas, both large and small.

In August, I had introduced the most massive, long-range, and comprehensive transit program ever submitted to the Congress, the administration's 12-year, $10 billion program, the Public Transportation Assistance Act of 1969.

This bill would offer the long-term Federal commitment that our cities find so necessary as they seek large matching sums locally to fund the programs which will keep our urban areas from the strangulation that is engulfing them.

Hearings on the administration's bill will be held in the near future before the Subcommittee on Housing of the Banking and Currency Committee. But, pending the passage of that legislation, it is important that we take steps to insure the continuity of the present public transportation program.

Since the beginning of the program with the Urban Mass Transportation Act of 1964, a 1-year advance appropriation has been provided. The most recent was under the Housing and Urban Develop-

ment Act of 1968, when advance appropriations were made for fiscal years 1969 and 1970.

I am, therefore, introducing an amendment authorizing an advance appropriation of $300 million for fiscal year 1971, and thus insuring the continuity of the public transportation program pending the passage of major new legislation.

The 1-year extension would, of course, be superseded should the new program be passed during this fiscal year.

I call for acceptance of this amendment as a step in the all-out attack so necessary if we are to keep the flow of goods and people in our Nation's cities from grinding to a virtual standstill.

Mr. HANNA. Mr. Chairman, the purpose of the amendment is to extend for 1 year the urban mass transportation program, to June 30, 1971. Its adoption is necessary if a serious break in the continuity of the program is to be avoided pending enactment of the new program which was only 2 weeks ago, sent to the Congress.

The amendment has two facets. First, it provides an additional authorization of the $300 million to fund the program through fiscal year 1971. This step would square with the practice followed from the beginning of the program in 1964. In fiscal year 1969, for example, funds were appropriated for fiscal 1970—the year beginning July 1, 1969, and ending June 30, 1970. The extension of the expiration date and the parallel increase in the authority would permit advance funding of the program for fiscal 1971, this fiscal year. The major advantage of advance planning is that it enables both the grantors and the grantee to better plan and program urban transportation projects.

This amendment also extends for 1 year the provisions of the act allowing jurisdictions which are in the process of meeting the comprehensive planning requirements set by HUD to receive limited urban mass transportation assistance. The burden of this planning requirement is heavy. Many jurisdictions—large and small—have not satisfied it. To date less than 30 jurisdictions have passed the test imposed by DOT. Their failure to do so is a product of the complexity of the requirement and the resultant cost of meeting it. Federal urban planning assistance funds have not been available in sufficient supply to significantly assist communities in satisfying the standard. Many jurisdictions, I am told, are nearing completion of their plans. Hopefully this 1-year extension recommended will provide ample time for all of them to pass the test.

The administration has posed no objection to the amendment. I have a letter to this effect signed by Under Secretary James M. Beggs. It is dated October 21, 1969. I insert it in the RECORD at this point:

THE UNDER SECRETARY OF TRANSPORTATION,
Washington, D.C., October 21, 1969.

Hon. RICHARD T. HANNA,
House of Representatives,
Washington, D.C.

DEAR MR. HANNA: This will confirm my telephone conversation in which I stated that the Department of Transportation has no objection to an amendment for the inclusion of the 1971 budget authorization of $300 million for the Urban Mass Transportation Administration's program. This is, of course, in consonance with the Public Transportation Assistance Act of 1969, which would provide this same amount of money in 1971 as contract authority.

As you know, we are currently working with the Senate Committee on Banking and Currency to work out a five year contract authority in the amount of $3.1 billion with a limitation of expenditures for each of the five years.

Sincerely,

JAMES M. BEGGS.

Mr. Chairman, in closing let me emphasize that this is a temporary stopgap measure intended only to insure no lapse in the program during the period that we are considering the new urban mass transportation measure. I urge my colleagues to join me in enacting this necessary measure.

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

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

Mr. PATMAN. Members on our side have studied the gentleman's amendment and we think it is a worthy amendment. It is very constructive, and we are willing to accept it.

Mr. WIDNALL. I thank the Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. WIDNALL).

The amendment was agreed to.

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

The CHAIRMAN. The gentleman from Connecticut is recognized.

Mr. GIAIMO. Mr. Chairman, I do not intend to offer an amendment at this time, but I would like to make reference to one of the practices which has been taking place in the model cities program, and that is in regard to the requirement of section 103 of the basic act, which states that communities may be eligible for assistance only if, among other things, the plan provides for widespread citizen participation in the program. I am not opposed to widespread citizen participation in these programs, but this language grew out of the theory which began in the Congress over the past several years, that the way to get many of our urban programs moving was to bypass established local government and the mayor's office, and to put the authority in citizens' councils, unofficial citizens groups, and the like. This also has taken place in some of our model cities programs. The result has been, in my opinion, a slowdown in the development of programs and a slowdown in getting maximum feasible model cities programs into existence and operation. Although we wish to have widespread advisory citizen participation, the responsibility and the authority for model cities programs, in my opinion, should and must reside in the local government.

I am delighted that from testimony and from statements of the present Secretary of Housing and Urban Development he intends to go in this direction. As a result of hearings we have had before the Independent Offices Subcommittee of the Appropriations Committee on changes in the model cities program, I am convinced in my own mind that HUD intends to more strongly vest authority for model cities programs in the local government.

I would hope that as a result of this discussion today HUD will be encouraged to emphasize this new direction in the model cities program. Quite frankly, I think it a worthwhile new direction.

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

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

Mr. ASHLEY. I am a little surprised at the comments of the gentleman because I thought that the basic act made it abundantly clear that the ultimate responsibility vested with the local governing authorities. The city councils, after all, must approve the model cities applications. The act makes it clear that it is the local governing bodies that do have basic and final authority and responsibility for the implementation of the model cities program. Is that not so?

Mr. GIAIMO. Mr. Chairman, I am sorry if the gentleman is surprised. The gentleman and I both have been in Congress for enough years to know that in many instances—in this case, in the case of OEO, in the case of juvenile delinquency, and in other cases—we often write basic law in this Chamber, only to find that the guidelines and regulations of the agencies involved have literally thwarted that law and done other than as we intended. This has happened in some of the cities. I am delighted the new Secretary of Housing and Urban Development has said definitely he will vest decisive power in the local government.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. Mr. Chairman, I would like to associate myself with the remarks made by the gentleman from Connecticut. May I cite a situation in my area in Portland. This was in public housing but in a "model cities" area. After the PHA Commissioners, who were, after all, volunteering their efforts, had spent countless hours on the public housing plan in the model cities area and had gone to regional offices of the HUD Department and received tentative approval, they were advised by the regional HUD representative, they would have to have the approval of the citizens' advisory committee.

I am also advised the public housing units—duplexes—had been approved by the city council and the planning commission. With the amount of money available under the lease turnkey plan—they could have more units if the contractor built duplexes. More families could be accommodated. Land costs, per unit, would be lower. But the citizens' advisory committee then met and vetoed this and said they would not allow those, they would not give their approval to any construction of duplexes. They demanded single-family dwellings. Already months of delay had occurred; construction costs were up. Therefore the housing authorities had to go through all of the roadblocks and all of the plans which they had laboriously gone through for several months prior to this time.

It seems to me this is something which

should not be allowed. I join with the gentlemen in hoping the new Secretary would see that the citizen participation does not come to the place where the citizens' advisory committee and not the Public Housing Commissioners are going to be administering the program and have veto power over plans approved by the Public Housing Authority, approved by the City Council, approved by the Planning Commission.

By what authority, in this instance, did the regional HUD office in San Francisco require citizens' advisory committee approval before the Public Housing officials could proceed with the program? It was a disservice, increased the costs and decreased the number of units that could be made available. So-called advisory committees without knowledge, without experience, without responsibility for what happens can exercise new found authority but sometimes with disastrous results. Let us return the authority and responsibility to the duly elected and/or appointed officials. They have been chosen through the democratic process.

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

Mr. Chairman, I rise in support of the legislation.

Mr. Chairman, the fact that H.R. 13827 fails to excite the imagination as did the Housing and Urban Development Act of 1968 is easy to understand. The broad and bold features of that landmark measure were the culmination of many years of thinking, fortunate timing, and a vigorous public concern with the housing problems of our Nation. We had the Douglas Commission, the Kaiser Commission and many other manifestations of that interest and concern, which are apparently absent today.

But that this bill fails to face up to two of the great needs of the housing sector is not so easily explained away. The bill fails to come to grips with the economic realities of urban housing costs. It establishes a limitation on construction cost per room which will mean that no new public housing can be constructed under Federal financing in the cities of New York, Boston, and San Francisco. The bill fails, as well, to come to grips with the problem of urban space by making no proviso for the disposal of excess Federal property at a reasonable price for low- and moderate-income housing. In both these areas, the Senate has demonstrated a boldness which the House, unfortunately, is unwilling to emulate.

The existing cost limits per unit of public housing has made it virtually impossible for the New York City Housing Authority to construct any new residential structures in the past year. Indeed, the only residential construction which has taken place occurred in connection with two facilities in model cities areas and then only because the city was willing to put up huge monetary subsidies to bring the Federal cost per unit down below the statutory limit.

Otherwise no public residential construction has taken place in New York despite the huge need for residential units in the low-income price range. For some units, the housing authority has taken bids, but they so far exceeded the statutory limits that they could not be built. For others, the architects' estimates made it abundantly clear that it was not even worth taking bids, so great was the discrepancy between the minimal cost per room in New York City and the statutory ceiling.

The existing limits on construction cost per room for public housing are just not realistic and simply serve to prevent the construction of any new public housing in New York. If they are not substantially increased, the housing crisis in New York City and almost every other city in the United States is just going to get worse and worse until no one but the slum dweller and the gold coast resident will be able to afford to live in any large central city.

The Senate increase in the limits barely brings them within the scale of New York City's housing costs. The 10-percent increase provided for in the House bill does not even begin to come close to the need. According to the National Association of Housing and Redevelopment Officials, it would still leave New York, San Francisco, and Boston unable to construct any new public housing units and would mean that many other cities would also be priced out of the market within a few months.

Another major obstacle to the construction of low- and moderate-income housing in our central cities is simply the unavailability of space upon which to construct residential units and the excessively high cost of the land that is available.

All too often the Federal Government has surplus property located in or near residential areas in our central cities which could be used to alleviate the shortage of low- and moderate-income housing units; but because section 203 (a) (3) (G) of the Federal Property and Administrative Services Act requires the Government to secure "fair market value" on the sale of its excess real property, only the commercial or high income residential builder can afford to acquire the sites.

Section 412 of the Senate version of the bill we have before us today faces this problem squarely by making provision for the sale of underutilized land by the Department of Housing and Urban Development at an economic value commensurate with the use to which the property will be put. This will enable low- and moderate-income housing to be built on the many unused sites the General Services Administration estimates exist in our central cities. Precedent for permitting the sale of surplus Government property for low-income housing for less than fair market value is found in the urban renewal law, which provides for partial Federal compensation for local jurisdictions for acquisition of Federal property for low-income housing.

Unfortunately, as was the case with the cost-per-room limitation on public housing, the bill we have before us fails to face up to an urgent housing need in this country.

The bill before us is not totally without redeeming features. To my mind one section has the potential to be extremely exciting. This is the removal of the limitation on payment to public housing units for debt service only. While still maintaining the current allocation formula, section 209 makes it possible for public housing authorities, like that in New York City, which are coming closer and closer to bankruptcy, to receive additional Federal financial assistance and thus stave off total collapse for at least another couple of years. I say this has the "potential" to be exciting for we still have to see if the administration will ask for the additional money, if it is going to be appropriated, and, if appropriated, spent by an administration more interested in a budget surplus than in the housing shortage.

The CHAIRMAN. If there are no further amendments to title III, the Clerk will read.

The Clerk read as follows:

TITLE IV—MISCELLANEOUS

AUTHORIZATION FOR PROPERTY ACQUISITIONS IN APPLYING ADVANCES IN TECHNOLOGY TO HOUSING AND URBAN DEVELOPMENT

SEC. 401. The first sentence of section 1010(c) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by inserting "(1)" after "authorized" and

(2) by inserting before the period at the end thereof the following: ", and (2) notwithstanding any other provision of law, to acquire, use, and dispose of land and other property as he deems necessary to carry out the purposes of subsection (a)(1) of this section".

EMPLOYMENT OPPORTUNITIES FOR LOWER INCOME PERSONS IN CONNECTION WITH HUD-ASSISTED PROJECTS

SEC. 402. Section 3 of the Housing and Urban Development Act of 1968 is amended to read as follows:

"EMPLOYMENT OPPORTUNITIES FOR LOWER INCOME PERSONS IN CONNECTION WITH ASSISTED PROJECTS

"SEC. 3. In the administration by the Secretary of Housing and Urban Development of programs providing direct financial assistance in aid of housing, urban planning, development, redevelopment, or renewal, public or community facilities, and new community development, the Secretary shall—

"(1) require, in consultation with the Secretary of Labor, that to the greatest extent feasible opportunities for training and employment arising in connection with the planning and carrying out of any project assisted under any such program be given to lower income persons residing in the area of such project; and

"(2) require, in consultation with the Administrator of the Small Business Administration, that to the greatest extent feasible contracts for work to be performed in connection with any such project be awarded to business concerns, including but not limited to individuals or firms doing business in the field of planning, consulting, design, architecture, building construction, rehabilitation, maintenance, or repair, which are located in or owned in substantial part by persons residing in the area of such project."

URBAN PROPERTY PROTECTION AND REINSURANCE—ENTRY INTO REINSURANCE CONTRACTS

SEC. 403. Section 1222(d) of the National Housing Act is amended by striking out all that follows "thereafter" the first time that word appears and inserting in lieu thereof a period.

URBAN PROPERTY PROTECTION AND REINSURANCE—STATE SHARE OF REINSURED LOSSES

SEC. 404. Section 1223(a) of the National Housing Act is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) in any State which has not, after the close of the second full regular session of the appropriate State legislative body following the date of the enactment of this title, adopted appropriate legislation, retroactive to the date of the enactment of this title, under which the State, its political subdivisions, or a governmental corporation or fund established pursuant to State law, will reimburse the Secretary for any reinsured losses in that State in any reinsurance contract year, in an amount up to 5 per centum of the aggregate property insurance premiums earned in that State during the calendar year immediately preceding the end of the reinsurance contract year on those lines of insurance reinsured by the Secretary in that State during the contract year, to the extent that reinsured losses paid by the Secretary for such year exceed the total of (A) reinsurance premiums earned in that State during that reinsurance contract year plus (B) the excess of (i) the total premiums earned by the Secretary for reinsurance in that State during a preceding period measured from the end of the most recent reinsurance contract year with respect to which the Secretary was reimbursed for losses under this title over (ii) any amounts paid by the Secretary for reinsured losses that were incurred during such period;".

STUDY OF REINSURANCE AND OTHER PROGRAMS

SEC. 405. Section 1235(b) of the National Housing Act is amended by striking out "one year following the date of the enactment of this title" and inserting in lieu thereof "December 31, 1969".

NATIONAL FLOOD INSURANCE PROGRAM—ADOPTION OF LOCAL FLOOD CONTROL MEASURES

SEC. 406. (a) Section 1305(c)(2) of the Housing and Urban Development Act of 1968 is amended by striking out "June 30, 1970, permanent" and inserting in lieu thereof "December 31, 1971, adequate".

(b) Section 1315 of such Act is amended—

(1) by striking out "June 30, 1970" and inserting in lieu thereof "December 31, 1971"; and

(2) by striking out "permanent" and inserting in lieu thereof "adequate".

(c) Section 1361(c) of such Act is amended by striking out "permanent" and inserting in lieu thereof "adequate".

INTERSTATE LAND SALES

SEC. 407. The second sentence of section 1403(a)(10) of the Housing and Urban Development Act of 1968 is amended to read as follows: "As used in this paragraph, the terms 'liens', 'encumbrances', and 'adverse claims' do not refer to property reservations which land developers commonly convey or dedicate to local bodies or public utilities for the purpose of bringing public services to the land being developed nor to taxes and assessments imposed by a State, by any other public body having authority to assess and tax property, or by a property owners' association, which, under applicable State or local law, constitutes liens on the property before they are due and payable, nor to covenants, conditions, and restrictions imposed to control future use of the property and the types and locations of structures to be placed thereon, if (A) the developer, prior to the time the contract of sale or lease is entered into, has furnished each purchaser with a statement setting forth in clear and understandable terms the types and amounts of all such reservations, taxes, assessments, covenants, conditions, and restrictions which are applicable to the lot to be purchased, and (B) receipt of such statement has been acknowledged in writing by the purchaser, and a copy of the acknowledged statement is filed with the Secretary."

REPORTS

SEC. 408. Section 1603 of the Housing and Urban Development Act of 1968 is amended by striking out "January 15" and inserting in lieu thereof "February 15".

RURAL HOUSING

SEC. 409. (a) Sections 513, 515(b)(5), and 517(a)(1) of the Housing Act of 1949 are each amended by striking out "October 1, 1969" wherever it appears and inserting in lieu thereof "October 1, 1970".

(b) Section 517(c) of such Act is amended by striking out all that follows "section" and inserting in lieu thereof a period.

(c) Section 517 of such Act is amended by adding at the end thereof the following new section:

"(k) Any sale by the Secretary of loans individually or in blocks, pursuant to subsections (c) and (g), shall be treated as a sale of assets for the purposes of the Budget and Accounting Act, 1921, notwithstanding the fact that the Secretary, under an agreement with the purchaser, holds the debt instruments evidencing the loans and holds or reinvests payments thereon as trustee and custodian for the purchaser."

(d) Section 520 of such Act is repealed.

(c)(1) Title V of such Act is amended by adding at the end thereof the following new section:

"FINANCIAL ASSISTANCE TO NONPROFIT ORGANIZATIONS TO PROVIDE SITES FOR RURAL HOUSING FOR LOW- AND MODERATE-INCOME FAMILIES

"SEC. 524. (a) The Secretary may make loans, on such terms and conditions and in such amounts as he deems necessary, to public or private nonprofit organizations for the acquisition and development of land as building sites to be subdivided and sold to families, nonprofit organizations, and cooperatives eligible for assistance under section 235 or 236 of the National Housing Act or section 521 of this Act. Such a loan shall bear interest at a rate prescribed by the Secretary taking into consideration the rate determined annually by the Secretary of the Treasury as the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, and shall be repaid within a period not to exceed two years from the making of the loan or within such additional period as may be authorized by the Secretary in any case as being necessary to carry out the purposes of this section.

"(b) In determining whether to extend financial assistance under this section, the Secretary shall take into consideration, among others factors, (1) the suitability of the area to the types of dwellings which can feasibly be provided, and (2) the extent to which the assistance will (A) facilitate providing needed decent, safe, and sanitary housing, (B) be utilized efficiently and expeditiously, and (C) fulfill a need in the area which is not otherwise being met through other programs, including those being carried out by other Federal, State, or local agencies."

(2) Section 517(b) of such Act is amended by striking out "and 515" and inserting in lieu thereof ", 515", and by adding after "(b)(4))," the following: "and 524,".

AUTHORITY TO TRANSFER ADDITIONAL AMOUNTS FROM GENERAL INSURANCE FUND TO SPECIAL RISK INSURANCE FUND

SEC. 410. Section 238(b) of the National Housing Act is amended by striking out "the sum of $5,000,000" in the first sentence and inserting in lieu thereof ", at such times and in such amounts as he may determine to be necessary, a total sum of $20,000,000".

SAVINGS AND LOAN ASSOCIATIONS

SEC. 411. (a) Section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by adding at the end thereof the following new paragraph:

"Without regard to any other provision of this subsection, any such association is authorized to invest in shares of stock issued by a corporation authorized to be created pursuant to title IX of the Housing and Urban Development Act of 1968, and is authorized to invest in any partnership, limited partnership, or joint venture formed pursuant to section 907(a) or 907(c) of that Act."

(b)(1) Section 404(d)(2)(B) of the National Housing Act (12 U.S.C. 1727(d)(2)(B)) is amended by striking out "1966" and inserting in lieu thereof "1965".

(2) Section 6(b) of the Act of September 21, 1968 (Public Law 90-505), is amended by striking out "1968" and inserting in lieu thereof "1965".

MISCELLANEOUS AND TECHNICAL AMENDMENTS

SEC. 412. (a) Section 235(c) of the National Housing Act is amended by inserting immediately before the period at the end of the first sentence the following: ": *Provided further*, That the Secretary is authorized to continue making such assistance payments where the mortgage has been assigned to the Secretary".

(b) Section 236(b) of such Act is amended by striking out "*Provided*, That" and inserting in lieu thereof the following: "*Provided*, That the Secretary is authorized to continue making such interest reduction payments where the mortgage has been assigned to the Secretary: *Provided further*, That".

(c) Section 223(d) of such Act is amended by inserting at the end thereof the following new sentence: "A loan involving a project covered by a mortgage insured under section 213 that is the obligation of the Cooperative Management Housing Insurance Fund shall be the obligation of such fund, and loans involving projects covered by mortgages insured under section 236 or under any section of this title pursuant to section 223(e) shall be the obligation of the Special Risk Insurance Fund."

(d) Section 214 of such Act is amended by inserting "or mobile home courts or parks" in the first sentence after "construct dwellings".

(e) Section 1101(c)(2) of such Act is amended—

(1) by striking out "value of the property or project" and inserting in lieu thereof "replacement cost of the property or project"; and

(2) by striking out "The value" and inserting in lieu thereof "The replacement cost".

Mr. PATMAN (during the reading). Mr. Chairman, I ask unanimous consent that we dispense with further reading of title IV, that it be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 33, line 17, strike out "December 31, 1969" and insert "June 30, 1970".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 33, after line 17, insert the following:

"EMERGENCY FLOOD INSURANCE PROGRAM

"SEC. 406. Part A of chapter II of title XIII of the Housing and Urban Development Act of 1968 is amended by adding at the end thereof the following new section:

"'EMERGENCY IMPLEMENTATION OF PROGRAM

"'SEC. 1336. (a) Notwithstanding any other provision of this title, for the purpose of providing flood insurance coverage at the earliest possible time, the Secretary shall carry out the flood insurance program authorized under chapter I during the period ending December 31, 1971, in accordance with the provisions of this part and the other provisions of this title insofar as they relate to this part but subject to the modifications made by or under subsection (b).

"'(b) In carrying out the flood insurance program pursuant to subsection (a), the Secretary—

"'(1) shall provide insurance coverage without regard to any estimated risk premium rates which would otherwise be determined under section 1307; and

"'(2) shall utilize the provisions and procedures contained in or prescribed by this part (other than section 1334) and sections 1345 and 1346 to such extent and in such manner as he may consider necessary or appropriate to carry out the purpose of this section.'"

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee Amendment: Page 34, after line 15, insert the following:

"EXTENSION OF FLOOD INSURANCE PROGRAM TO COVER LOSSES FROM WATER-CAUSED MUDSLIDES

SEC. 407. (a) Section 1302 of the Housing and Urban Development Act of 1968 is amended by adding at the end thereof the following new subsection:

"'(f) The Congress also finds that (1) the damage and loss which results from mudslides is related in cause and similar in effect to that which results directly from storms, deluges, overflowing waters, and other forms of flooding, and (2) the problems involved in providing protection against this damage and loss, and the possibilities for making such protection available through a Federal or federally sponsored program, are similar to those which exist in connection with efforts to provide protection against damage and loss caused by such other forms of flooding. It is therefore the further purpose of this title to make available, by means of the methods, procedures, and instrumentalities which are otherwise established or available under this title for purposes of the flood insurance program, protection against damage and loss resulting from mudslides that are caused by accumulations of water on or under the ground.'

"(b) Section 1370 of such act is amended by inserting '(a)' after 'Sec. 1370.', and by adding at the end thereof the following new subsection:

"'(b) The term "flood" shall also include inundation from mudslides which are caused by accumulations of water on or under the ground; and all of the provisions of this title shall apply with respect to such mudslides in the same manner and to the same extent as with respect to floods described in paragraph (1), subject to and in accordance with such regulations, modifying the provisions of this title (including the provisions relating to land management and use) to the extent necessary to insure that they can be effectively so applied, as the Secretary may prescribe to achieve (with respect to such mudslides) the purposes of this title and the objectives of the program.'

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 36, line 5, strike out "406" and insert "408".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 36, line 16 strike out all through line 14, page 37 and insert the following:

"INTERSTATE LAND SALES

"SEC. 409. Section 1403(a)(10) of the Housing and Urban Development Act of 1968 is amended to read as follows:

"'(10) the sale or lease of real estate which is free and clear of all liens, encumbrances, and adverse claims if each and every purchaser or his or her spouse has made a personal on-the-lot inspection of the real estate which he purchased and if the developer executes a written affirmation to that effect to be made a matter of record in accordance with rules and regulations of the Secretary. As used in this subparagraph, the terms 'liens,' 'encumbrances', and 'adverse claims' do not refer to property reservations which land developers commonly convey or dedicate to local bodies or public utilities for the purpose of bringing public services to the land being developed, nor to taxes and assessments imposed by a State or other public body having authority to assess and tax property which, under applicable State or local law, constitute liens on the property before they are due and payable, nor to beneficial property restrictions which would be enforceable by other lot owners or lessees in the subdivision, if (A) the developer, prior to the time the contract of sale or lease is entered into, has furnished each purchaser or lessee with a statement, the form and content of which has been approved by the Secretary, setting forth in descriptive and concise terms all such reservations, taxes, assessments, and restrictions which are applicable to the lot to be purchased or leased, and (B) receipt of such statement has been acknowledged in writing by the purchaser or lessee, and a copy of the acknowledged statement is filed with the Secretary in accordance with such rules and regulations as he may require.'

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 39, line 2, strike out "408" and insert "410".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 39, line 6, strike out "409" and insert "411".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 39, line 23, insert the following:

"(d) Section 517 of such Act is further amended by adding at the end thereof (after subsection (k), as added by subsection (c) of this section) the following new subsection:

"'(l) The Secretary may also, upon the application of lenders, builders, or sellers and upon compliance with requirements specified by him, make commitments upon such terms and conditions as he shall prescribe to make or insure loans under this section to eligible applicants.'

"(e)(1) Section 517 of such Act is further amended by adding at the end thereof (after subsection (l), as added by subsection (d) of this section) the following new subsection:

"'(m) The assets and liabilities of, and authorizations applicable to, the Rural Housing Direct Loan Account are hereby transferred to the Fund, and such Account is hereby abolished. Such assets and their proceeds, including loans made out of the Fund pursuant to this section, shall be subject to all of the provisions of this section.'

"(2) The first sentence of section 517(d) of such Act is amended—

"(A) by striking out '(a) and (b)' and inserting in lieu thereof '(a), (b), and (m)'; and

"(B) by inserting 'or otherwise acquired by' after 'loans made from'.

"(3) Section 518 of such Act is repealed.

"(4) Section 519 of such Act is amended by striking out 'or the Rural Housing Direct Loan Account' and 'or Account'."

PARLIAMENTARY INQUIRY

Mrs. SULLIVAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentlewoman will state it.

Mrs. SULLIVAN. Is this a direct loan program, which the Clerk just read?

The CHAIRMAN. The Chair did not hear the inquiry.

Mrs. SULLIVAN. On page 39—is that a direct loan program for housing?

The CHAIRMAN. The committee amendment now pending, as the Chair understands it, is at the bottom of page 39, line 23, and goes to the end of page 40, line 26. That is the pending committee amendment.

Mrs. SULLIVAN. Then it is a direct loan program? That is what I asked.

The CHAIRMAN. The Chair will say to the gentlewoman that the Chair will not attempt to interpret the amendment under any circumstances.

Mrs. SULLIVAN. I thank the Chairman.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 41, line 1, strike out "(d)" and insert "(f)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 41, strike out line 2 down through and including line 12 of page 42.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 42, line 16, strike out "410" and insert "412".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 42, strike out lines 22 through 24 and insert:

"SEC. 413. (a) Section 5 of the Federal Home Loan Bank Act (12 U.S.C. 1425) is amended to read as follows:

" 'SEC. 5. No institution shall be admitted to or retained in membership, or granted the privileges of nonmember borrowers, if the combined total of the amounts paid to it for interest, commission, bonus, discount, premium, and other similar charges, less a proper deduction for all dividends, refunds, and cash credits of all kinds, creates an actual net cost to the home owner in excess of the lawful contract rate of interest applicable to such transactions, or, in case there is no lawful contract rate of interest applicable to such transactions, in excess of such rates as may be prescribed in writing by the Board acting in its discretion from time to time. This section applies only to the home mortgage loans on single-family dwellings.'

"(b) Section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by adding at the end thereof the following new paragraph:".

Mrs. SULLIVAN. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, adoption of section 413 (a) of the bill will mean that Congress has gone on record in favor of raising already exorbitantly high mortgage interest rates still higher.

Adoption of 413(a) means that Congress is saying that an 8-percent interest rate is too little to pay for the cost of mortgage funds even though the purchaser of a $20,000 home will have to pay as much as $32,000 in interest alone during the term of a 30-year mortgage.

Adoption of 412(a) means the establishment of an unfortunate, even tragic example which says to the legislatures of 22 States that their interest rate ceilings of 7 to 8 percent for home mortgages should, in the judgment of Congress, be increased to 9 or 10 percent or more.

Mr. Chairman, section 413(a) would eliminate the maximum effective interest rate ceiling of 8 percent for savings and loan associations and other Federal Home Loan Bank borrowers in those States which do not have their own interest rate ceilings and allow the Home Loan Bank Board to set a higher ceiling. It became part of the housing bill without real discussion of its merits either in the Housing Subcommittee or in the full committee. In my judgment, it is absolutely necessary that the section be removed from the bill so that its effect may be fully explored and so that Congress may be informed of these findings before action is taken. To do otherwise is to blindly adopt what I think is a very bad piece of legislation.

The rationale offered in support for the section is based on the contention that the effective interest rates for FHA and VA mortgages is already at or beyond the 8-percent ceilings when the ½-percent insurance and 1-percent origination fees are added to the 7½-percent rate fixed by the Secretary of Housing and Urban Development and the Administrator of Veterans' Affairs. Unless the interest rate ceiling is raised, so the rationale goes, Federal Home Loan Bank borrowers will be unable to make FHA and VA loans in those States that do not have interest rate ceilings of their own.

All of this seems to be very tidy and innocent looking. But how tidy and innocent when certain questions are raised, namely:

Is not this amendment a way of permitting all Federal Home Loan Bank borrowers in those States that do not have interest rate ceilings of their own to raise interest rates for all mortgages, conventional as well as FHA insured and VA guaranteed?

How many States will really be affected by the section, the few that do not have interest rate ceilings of their own, or others that do not have effective rate ceilings because of vague legislative language or legislative loopholes?

In view of the fact that the addition of points has raised the effective FHA rate to a national average of 8.25 percent, have Federal Home Loan Bank borrowers actually been violating the law in making such loans and want this amendment to make their actions legal?

Mr. Chairman, these questions were presented in written form to Preston Martin, Chairman of the Federal Home Loan Bank Board, when he appeared before the House Banking and Currency Committee to testify on another piece of legislation earlier this month. He answered—or I should say replied to—them earlier this week.

First of all, Mr. Martin states that the Federal Home Loan Bank Board did not originate or sponsor section 413(a) and has not taken any position on it.

Second, Mr. Martin states that the law establishing the effective interest rate ceiling of 8 percent for Home Loan Bank borrowers in States that do not have interest rate ceilings of their own is not at all clear about what really is an effective interest rate.

Third, Mr. Martin states that he is not sure whether the law on setting the 8-percent ceiling applies to all mortgages, FHA and VA as well as conventional.

Fourth, in answer to the question of whether Home Loan Bank borrowers have been violating the law setting the 8-percent ceiling in those States where it applies, Mr. Martin simply says that the composition of the Home Loan Bank Board has changed completely in the last few months, that the Board has a new general counsel, and that in view of the legal questions involved in construing the law on interest rate ceilings, the Board is examining the matter and hopes to make a report soon.

It seems to me that a fair interpretation of what Mr. Martin is saying is that the Home Loan Bank Board is not advocating lifting the 8-percent interest rate ceiling and that, even if it did, it would not really know what it was doing.

My fifth, last, and most important point, Mr. Chairman, is this: On Monday Mr. Martin appeared again before the House Banking and Currency Committee where I asked him if he did not think Congress should delay a decision on the section until members of the House Banking and Currency Committee have had a chance to study this complex subject in hearings. Mr. Martin emphatically replied that he thought such a delay and study would be well justified.

Accordingly, Mr. Chairman, I ask the membership to vote down this committee amendment on page 43 from line 1 to 15.

I include the letter at this point with my remarks:

FEDERAL HOME LOAN BANK BOARD,
Washington, D.C., October 20, 1969.

Hon. LEONOR K. SULLIVAN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSWOMAN SULLIVAN: Your letter of October 7, 1969, requested answers to three questions which you intended to ask me orally in the course of hearings before the House Committee on Banking and Currency on H.R. 13939 of the present Congress.

The first question is:

"Mr. Martin, as you know, a section of the proposed Housing Act of 1969 in the House provides for elimination of the 8 percent effective mortgage interest rate ceiling for the Federal Home Loan Bank borrowers on the grounds that it prevents borrowers from making FHA and VA loans.

"Isn't this another way of saying the FHLBB wants to raise interest rates on all mortgage loans in the states where the 8 percent ceiling is effective?"

The Federal Home Loan Bank Board does not desire that interest rates be raised on all mortgage loans in the states where the 8 percent ceiling rate is effective. (My answer to your question No. 2 indicates that a reference to "states where the 8 percent ceiling is effective" raises a complex legal issue which is not susceptible to a categorical answer.)

This Board did not originate nor did it sponsor the provision in question, which appears in subsection (a) of Section 413 of H.R. 13827 as reported to the House Committee on Banking and Currency. The Board has not taken any position on the provision.

The second question is:

"There seems to be a lot of confusion over whether the FHLBB 8 percent effective interest rate ceiling applies only to five states which do not have interest rate ceilings of their own or whether it, in fact, applies to many other states which have legislation which is vague or is full of loopholes.

"What is your view of this situation?"

Our General Counsel believes that there are less than five states which do not have interest rate ceilings which are applicable to at least some types of transactions included within Section 5 of the Federal Home Loan Bank Act (or would be so applicable except for exemptions from usury laws).

He also points out that in a number of other states state law contains a provision that the state imposed interest rate ceilings applicable to "home mortgage loans" shall not be applicable to FHA and VA loans (or merely FHA loans).

A brief analysis of Section 5 of the Federal Home Loan Bank Act is appropriate. It provides that no institution shall be admitted to or retained in Federal Home Loan Bank membership or granted the privilege of nonmember borrowers if "the combined total of the amounts paid to it for interest, commission, bonus, discount, premium, and other similar charges, less a proper deduction for all dividends, refunds, and cash credits of all kinds" creates "an actual net cost to the home owner" in excess of—

"The maximum legal rate of interest or, in case there is a lawful contract rate of interest applicable to such transactions, in excess of such rate (regardless of any exemption from usury laws), or, in case there is no legal rate of interest or lawful contract rate of interest applicable to such transactions, in excess of 8 percentum per annum in the State where such property is located."

The last sentence of the section provides: "This section applies only to home mortgage

loans made after the enactment of this Act." (The Federal Home Loan Bank Act was enacted on July 22, 1932.)

Section 5 is, therefore, applicable (and applicable only) in cases where (1) there is, in the state where the property is located, a "legal rate of interest or lawful contract rate of interest" which either is applicable to "such transactions" or would be applicable to them except for exemption from usury laws, (2) the combined total of the charges referred to in the section, less the deduction referred to therein, creates "an actual net cost to the home owner" in excess of that rate, and (3) the loan is a "home mortgage loan" within the meaning and coverage of the section.

The terms "such transactions" and "exemptions" are not defined in the Act. Thus, it is not at all clear whether the words "such transactions" mean all home mortgage loans made by a member institution regardless of whether the type of loan is FHA, VA or conventional. Distinctions as to type of loan may be relevant to the proper interpretation of the statute, for, as previously indicated, a number of states specifically exclude FHA and VA loans (or only FHA loans) from the state's usury law. Other states exempt any loans made by savings and loan and building and loan associations. Depending upon whether one terms such type of loan or source of loan as an "exemption" or an "exclusion" and whether or not one defines "such transactions" to include all loans or only specific types of loans may determine whether the 8 percent limit in Section 5 is applicable. For example, if "such transactions" cannot be broken down into types of loans and so long as any type of home mortgage loan is covered by the state usury law, then the 8 percent limitation of Section 5 would not be applicable. Thus, as indicated in my answer to question No. 1, this is not a simple matter.

Interest rates normally have been sufficiently low that these legal issues were not a matter of major policy. Furthermore, if the one-half percent FHA insurance charge is not considered "interest, commission, bonus, discount, premium [or] other similar charge", the 8.25 percent interest rate referred to in your question would be, in fact, 7.75 percent which is below the statutory ceiling.

The third question is:

"The volume of FHA and VA mortgages outstanding during the first eight months of the year appears to indicate FHLBB borrowers are issuing as many FHA and VA mortgages now as they were last year at this time, despite the fact that the effective FHA interest rate nationally is at least 8.25 percent.

Have you looked into the possibility that some of your borrowers may be violating the 8 percent interest ceiling? If you have found violations, what action have you taken?"

The composition of the Board has changed completely within the last few months. We also have a new General Counsel. In view of the difficult legal questions involved in construing Section 5 of the Bank Act, the present Board is examining the matter and hopes to be able to report to you in the near future the results of its examination.

Sincerely,

PRESTON MARTIN,
Chairman.

The CHAIRMAN. The time of the gentlewoman from Missouri has expired.

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

Mr. Chairman, I rise in support of the committee amendment and in opposition to the proposal of the gentlewoman from Missouri (Mrs. SULLIVAN). I shall not take the entire 5 minutes but only wish to point out the fact that this would not affect all 50 States, but somewhere in the range of 13 or 14 States whose laws happen to be in some conflict with the law as it exists today. If you strike this amendment, we would be operating to literally cut off FHA and VA loans in those particular States. I think it would be a very unfortunate thing for this House to act against the best interest of a few States who perhaps through their Representatives are not aware of the impact of this particular provision.

Mrs. SULLIVAN. Mr. Chairman, if the gentleman will yield, who says it would cut them off?

Mr. BROCK. That is my understanding. The thrust of the proposal was to guarantee equality of treatment across the board.

Mrs. SULLIVAN. Have you no faith in the man who heads the Home Loan Bank Board? He says that this would not be done; that we should really give it some thought.

Mr. BROCK. I have a great deal of faith in the gentleman, but I also have faith in the work of the committee. The testimony that we had from the Savings and Loan League was in favor of this. It seems to me it would be the better part of valor to see that we treated all States fairly and then if some inequities should develop as a result of this, I am quite sure that the gentlewoman would have support to correct such inequities.

Mrs. SULLIVAN. Would the gentleman show me where in the hearings we discuss this?

Mr. BROCK. I do not have them in hand, but I would point out to the gentlewoman that in her dissenting views as contained in the report that there was reference to some testimony.

Mrs. SULLIVAN. No, I did not. I point out the fact that there was no testimony on this particular subject.

Mr. BROCK. Well, then, there was a position taken by the Savings and Loan League. Perhaps it is not in the testimony.

Mrs. SULLIVAN. It was taken up at the very last moment with no discussion on it at all.

Mr. BROCK. I might quote from the gentlewoman's own dissenting views wherein she says that an official of the U.S. Savings and Loan League, replying to questions on the subject, said it was his opinion that the section not only applies to the five States mentioned above but may also apply to an additional 16 States which have their own interest rate ceilings from which Federal Housing Administration and Veterans' Administration insured and guaranteed mortgages are exempted. That is your statement and not mine.

You also say this:

The thrust of the Federal Home Loan Bank Board and U.S. Savings and Loan League argument follows the line that the latest increase in FHA and VA rates to 7½ percent in January has put savings and loan associations against the wall in terms of making loans of this type in the States in question.

Mrs. SULLIVAN. All right, but I will have to tell the gentleman that that was written after the committee acted, because there was nothing during the committee consideration of this matter either in the subcommittee or the full committee and I did not know about it until I saw this in the bill, because I was absent during the first day of the committee hearings attending a funeral at home.

When I saw this in the bill, and I was absent from the first day of the committee hearings because I was home for a funeral—but when I saw this I immediately put in my dissenting views.

Mr. BROCK. I simply feel that the gentlewoman's amendment is punitive in terms of a few States. I think it is ill considered. It should be fully considered in committee before we take any such action and, I would oppose it.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 44, line 3, strike out "(b)" and insert "(c)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 44, line 9, insert:

"(d) Section 12 of the Federal Home Loan Bank Act (12 U.S.C. 1432) is amended by adding at the end thereof the following new subsection:

"'(c) Subject to such regulations as may be prescribed by the Board, one or more Federal home loan banks may acquire, hold, or dispose of, in whole or in part, or facilitate such acquisition, holding, or disposition by members of any such bank, of loans (or interests in loans) having the benefit of insurance under section 221(d)(3), 221(h), 235, or 236 of the National Housing Act, as now or hereafter in effect, or any commitment or agreement therefor.'"

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 44, line 20, insert:

"TEMPORARY EXTENSION OF FLEXIBLE INTEREST RATE AUTHORITY

"SEC. 414. Section 3(a) of the Act of May 7, 1968 (Public Law 90-301), is amended by striking out 'October 1, 1969' and inserting in lieu thereof 'January 1, 1970'."

AMENDMENT TO THE COMMITTEE AMENDMENT OFFERED BY MR. TEAGUE OF TEXAS

Mr. TEAGUE of Texas. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment to the committee amendment offered by Mr. TEAGUE of Texas: On page 44, line 24, insert immediately before the period the following: ", and by amending the proviso to such section to read as follows: 'Provided, That notwithstanding any other provision of law, the Administrator of Veterans' Affairs is authorized, until October 1, 1971, to establish a maximum interest rate for guaranteed or insured loans to veterans under chapter 37 of title 38, United States Code, not in excess of such rates as he may from time to time find the loan market demands.' ".

Mr. TEAGUE of Texas. Mr. Chairman, this is the exact wording of a bill pertaining to veterans' housing which passed this House recently by a vote of 200 and something to 20 and something.

What this amendment does is to permit the present regulation as far as veterans' housing is concerned to continue until next October 1. By that time we hope that this matter might be settled.

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

Mr. TEAGUE of Texas. I yield to the gentleman.

Mr. PATMAN. If I understand the gentleman's amendment, it only applies to veterans' loans?

Mr. TEAGUE of Texas. That is correct, and the reason it does apply only to veterans' loans is because I am not trying to control the business of the Committee on Banking and Currency.

Mr. PATMAN. Well, let us see. Why would the gentleman want to advance the date a couple of years when higher interest rates will be imposed on the veterans?

Mr. TEAGUE of Texas. I would be glad by unanimous consent to withdraw this amendment and make it also apply to the FHA, if that is what the gentleman wants?

Mr. PATMAN. I am not talking about that. If the gentleman wants to apply this to veterans and to make them pay higher rates than other people, that is up to him. But may I suggest that the gentleman has a bill in his committee to use the veterans' trust funds, of the insurance reserve, up to $5 billion to make these loans to veterans.

In other words, to make the veterans use their own money that they have paid into the reserve funds and get loans at 6 percent. It occurs to me that being a good proposition, I think this amendment if you get it adopted will probably deny us the privilege of passing on that particular bill.

The gentleman is obligated to bring it up, because we had it here on the floor offered as an amendment. It was held nongermane. Therefore, it could not be passed upon by the House. But the gentleman said here on the floor—and I commend him for it—that he was going to keep on, that he would bring out a bill—he expected to, if he could, from his committee—and then it would not be subject to a point of order.

That would mean that veterans could use $5 billion of their own money at 6 percent interest. They would not have to pay this 8 percent and 10 percent that the amendment would require them to pay. So I hope the gentleman will not insist upon the amendment, and that he will get that bill out of his committee and bring it here. It will not then be subject to a point of order. By doing so, he will do the greatest service to the veterans that they have ever had in the way of loans for any purpose with a low-interest rate. I hope the gentleman will do that.

Mr. TEAGUE of Texas. Mr. Chairman, I do insist on my amendment. The reason for the amendment is to keep veterans' interest rates from going to a mandatory 6 percent on January 1. Furthermore, as far as the chairman of this committee is concerned, everything possible is going to be done to bring that bill to the floor.

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

Mr. TEAGUE of Texas. I yield to the gentleman from California.

Mr. TEAGUE of California. I fully support the gentleman's amendment. Obviously it is the only practical thing to do to continue the veterans' loan program. I urge all Members to support the gentleman from Texas (Mr. TEAGUE) in his amendment.

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

Mr. TEAGUE of Texas. I yield to the gentleman from Pennsylvania (Mr. SAYLOR) a member of the committee.

Mr. SAYLOR. Mr. Chairman, I merely wish to say that I support very heartily the position taken by my colleague, the gentleman from Texas (Mr. TEAGUE). The House settled this matter, we thought, several weeks ago when we passed the bill that is referred to in this amendment. Then the Banking and Currency Committee has tried, in the bill that is before you now, to repeal what Congress did by a record vote. All we are doing is making this apply to veterans. We are not trying to tell the Banking and Currency Committee how to run their affairs.

If you want to know why the Veterans' Affairs Committee has to get into veterans' housing, it is because the Banking and Currency Committee years ago refused to get into it. That is the reason we got in.

I urge that the amendment be adopted.

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

Mr. TEAGUE of Texas. I yield to the gentleman from Tennessee.

Mr. BROCK. I thank the gentleman. I am heartily in support of the amendment. I see no alternative to the course of action that the gentleman from Texas has taken in the light of the action of the Committee on Banking and Currency, although I happen to be a member of that committee. I regret the fact that the gentleman's amendment does not include FHA. I would like to inform him that the situation of the nonveteran home buyer is as bad as that for the veteran. I would hope the gentleman would support an amendment which I intend to offer after the pending amendment is adopted. I shall offer an amendment to put FHA under the same type of extension, a 1-year extension.

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

Mr. TEAGUE of Texas. I am glad to yield to the chairman of the committee.

Mr. PATMAN. Is the bill providing for use of the $5 billion Veterans' Trust Fund or the Reserve Fund of insurance in committee now? Is it being actively considered?

Mr. TEAGUE of Texas. Let me tell the gentleman the exact status of that bill. In the Housing Subcommittee it was voted 5 to 4 to lay the bill aside until we had further conferences with the administration. We have had meetings with the administration. We had expected to have an answer before this, which we have not. I, as chairman, have written the administration and reminded them that they were going to give us an answer. So at the moment I am waiting for an answer from them before going back to the subcommittee for another vote.

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

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

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. PATMAN. Mr. Chairman, I cannot see that it makes any sense to require the veterans to pay more and more interest when they have $7 billion in a reserve fund that should be invested in mortgages on their own homes. It is about the best investment you could have on earth.

The gentleman from Texas (Mr. TEAGUE) is to be commended for presenting a bill to do that very thing—to use $5 billion of that fund—and that would really help all the veterans who are eligible to get these loans.

Furthermore, they would get them for at least 6 percent and not over that, because the fund now is not getting 6 percent on the average. It would be a great benefit to the fund, the veterans' insurance fund, to get as much as 6 percent. That would solve this situation 100 percent.

I know the gentleman from Texas is sincere. He told us before that he is waiting on a favorable reply or a reply from the administration and he has not received it. That was a good while ago. Now that he has not received a reply, I think he would be justified in going on and presenting that bill to the House of Representatives so that we could do the veterans of this country a great favor by letting them have housing loans at 6 percent interest from their own reserve fund that they paid in themselves to build up.

How could we have a fairer way than by letting the veterans borrow their own money for the purpose of building their own homes and getting a reduced rate of interest? If we defeat this amendment the gentleman has offered, I believe that will spur him on to bring that bill out. I believe the House will pass it almost unanimously—possibly there would be a few against it, but not many.

So we have the solution within our grasp. If we want to take advantage of it, we should defeat this amendment, and let the gentleman from Texas, Mr. TEAGUE, know we want that bill to come out of his committee, and we want it quickly, so we can set aside $5 billion of that insurance reserve fund for the purpose of making loans to veterans at 6 percent. I believe that would get something done.

I do not know who the gentlemen are who are holding up the bill, but I hope they will give this consideration. It is not treating the veterans right to single them out for an increase in their loan rates. We are jumping the gun on that right now, and we will do it for 2 years. The veterans will be the only ones guaranteed to get a higher rate of interest.

If interest rates would bring more money into the housing market, whether

for veterans or not, I possibly would not mind increasing the interest rates, but we have tried it, and that will not bring more money into the market. We know it. So why should we pay more and more interest when it will not get any more opportunities for them to acquire homes by purchase at lower rates of interest?

Mr. GROSS. Mr. Chairman, if the gentleman will yield, if the veterans' fund is depleted, if the participation certificates have been issued against the fund and the money is gone, where will the Government get the money to replenish the reserve fund except on the market?

Mr. PATMAN. Mr. Chairman, the gentleman is asking a good question. I commend him. It shows he is thinking as much about the situation as I am.

There is money flowing into that fund every day, and they could certainly make the loans against the money coming in, and they could dispose of the paper they have, but now they could tomorrow morning if the NSLI bill were law, commence taking this paper and making loans to veterans at 6-percent interest, which is higher than the fund has gotten in the past. This would help the veteran out of his insurance reserve fund and it would help the veteran who wants to borrow some of his own money to buy a home at 6-percent interest.

Mr. BROCK. Mr. Chairman, the chairman is aware that his administration in the last few years has completely depleted that veterans' fund by borrowing against it. There is not a dime in that fund, and the chairman is misleading this body by saying there is $7 billion available. There is not.

Mr. PATMAN. Mr. Chairman, how can the gentleman gripe about that when he is doing that right now in his party? It is just changing the shots. We are trying to change it so they will now, immediately, take the money, when it comes in, for veterans' housing. It can be done. There is no reason why it cannot be done. So let us take a constructive and helpful step and not charge the veterans 8 percent or 10-percent interest when we do not have to do it.

We have the money they can borrow, that they paid in themselves, and they can get it at 6-percent interest, and it would help everybody and help the housing market and help the country generally.

Mr. Chairman, I hope this amendment is defeated and that we will get onto the bill, and see if we can get the reserve fund set up and get the housing loans made.

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

I take this time to direct a question or two to the chairman of the Committee on Veterans' Affairs, the gentleman from Texas (Mr. TEAGUE).

At the time the Veterans' Affairs Committee, under the gentleman's leadership, brought to the floor a few weeks ago, a bill which became Public Law 90–301, did the testimony before our committee in support of that legislation carry the support of the American Legion, the Veterans of Foreign Wars, the DAV, and all other veterans' organizations?

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

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

Mr. TEAGUE of Texas. That is correct. The language I have just offered as an amendment was in the bill we passed, which every veterans group supported. I cannot believe, with all due respect to my colleague from Texas, that the veterans groups who came before my committee and testified for legislation would do so against the best interests of the veterans.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am happy to yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. I might point out that I am a member of the VFW, of the American Legion, and a few other veterans' organizations. I do not recall my posts ever going on record in favor of VA interest rates going up to 8 or 9 or 10 percent.

Mr. SAYLOR. I did not ask anyone whether or not his post asked for interest rates to go up. I just asked whether the organizations to which the gentleman belongs came before our committee and supported the legislation. We now have testimony that they did.

I believe the House has to decide whether or not the gentleman from Texas (Mr. TEAGUE), who has been chairman of the committee for almost 20 years and who has never brought out a piece of legislation against the veterans, who is a man responsible for more legislation for veterans than any other man or woman in the history of the country, is right, or whether the gentleman from Texas who represents the Banking and Currency Committee is right.

I urge all Members to support my colleague from Texas (Mr. TEAGUE).

Mr. TEAGUE of Texas. Mr. Chairman, I ask unanimous consent to be permitted to put in the RECORD at this point the testimony of the veterans groups concerning this specific amendment I have offered.

The CHAIRMAN. The Chair will say to the gentleman from Texas, that permission will have to be secured in the House.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

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

Mr. BURKE of Massachusetts. I wish to inform the gentleman from Pennsylvania that I take issue with the leaders of the American Legion and the VFW and anyone else who justifies before the Veterans' Affairs Committee any type of bill or any type of measure that will allow the veterans of this Nation to be gouged to the extent of 8 or 9 or 10 percent interest. It is about time we had some courage in this House and put a ceiling on these rates, and that we not allow the veterans of this Nation to be gouged to the extent that they are.

I am not concerned too much with the testimony of the heads of the American Legion or the VFW when they are in error. They are in error when they come in here and say an amendment of this type, that will allow the head of the VA to set interest rates, when he knows nothing about them, is something we should have.

Mr. SAYLOR. I will take back my time and just say that since the gentleman is as big as he is he ought to go to the national conventions of the organizations to which he is a member and present resolutions, to see what happens to them when they get to the floor of those conventions.

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

Mr. BURKE of Massachusetts. Mr. Chairman, I rise in opposition to the amendment.

I want to point out to my good friend from Pennsylvania that several years ago the late beloved John F. Kennedy took the American Legion on because of their failure to support the veterans on a proper housing bill.

There is a need for courage here. I say that the American Legion or the VFW, when they favor any bill that allows the gouging of veterans with interest rates up to 8 or 9 or 10 percent, are wrong, and those leaders are not speaking for the rank and file veterans of this country.

With this amendment that was offered here, if they would come in with a ceiling on the rates, there might be some justification for it.

However, to allow the floodgates to open is something else. We have had the experience of the past 2 years, and now the banks in this country that have no need for raising these rates are looking to the guaranteed loans of veterans that are guaranteed by this Government. They are going to gouge them to the extent of 8.5, 9, or 9.5 percent, and even up to a 10-percent interest rate.

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

Mr. BURKE of Massachusetts. I am happy to yield to the gentleman.

Mr. TEAGUE of California. I am curious to know where you can borrow money at 4, 5, or 6 percent these days. We are talking about guaranteed insured loans.

Mr. BURKE of Massachusetts. The gentleman from Texas, the chairman of the Committee on Banking and Currency, gave you that answer. Let us make these GI national life insurance funds available to the veterans and let them borrow it at rates not exceeding 6 percent per annum.

Mr. TEAGUE of California. That is another proposition. In the meantime, we must have a guaranteed insured interest loan program, and the only way we can do it is to authorize the director to set such rates at such rates where money can be borrowed. I do not know of anywhere that you can borrow money at 6 percent.

Mr. BURKE of Massachusetts. No, and you will never be able to as long as you let the banks get away with what they are doing today. They are repeating the same mistake that they made in 1929 when they gouged the public. That resulted in wholesale foreclosures of homes by the banks, and the banks then ran dry of money and closed. We had complete chaos in this country as a result. Until banks face their responsibility, the

only thing we can do is take the advice of the chairman of the Committee on Banking and Currency and allow this money to be available, and let this other bill come out of the Committee on Veterans' Affairs. I admire and respect the chairman of that committee, the gentleman from Texas (Mr. TEAGUE), but I differ with him on this. I think anyone who will recognize the facts will realize that the banks of this country are gouging the public.

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

Mr. Chairman, I rise simply to correct the RECORD. There have been some rather confusing and confused statements made in the last few minutes. I want to point out first of all to the gentleman from Massachusetts and the gentleman from Texas, the chairman of the Committee on Banking and Currency, that it is an obfuscation to talk about the utilization of trust funds for veterans loans. NSLI was depleted of every dime that it had in the bank by the previous President of this Nation for his own uses in whatever programs he deemed necessary. There is not any $7 billion there. That money cannot be borrowed. To talk about it is simply to confuse the issue.

The point of this amendment does not have anything to do with trust funds. The gentleman from Texas, the chairman of the Committee on Veterans Affairs (Mr. TEAGUE), is simply trying to say that if we do not change this law, in January, on the first of January of this coming year, 1970, there will be no money available for veterans loans, period.

You can talk about all of this business of gouging, which is a very cute way of confusing the issue, but it does not relate to the fact. The fact of the matter is that unless this law is changed there will be no money available for the veteran or the average home buyer. I do not understand all of this talk about gouging when there is no money available at 6 percent. That is the fact of the matter.

Now, let us talk about the issue. Let us quit crawling around and talking about something that does not have a doggoned thing to do with it. If you are going to deal with the problem do it honestly.

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

Mr. BROCK. I yield to the chairman.

Mr. PATMAN. The gentleman said that the fund is depleted.

Mr. BROCK. It is.

Mr. PATMAN. Of course it has all kinds of obligations in there that have been purchased, and the average interest rate will probably go to 3.5 or 4 percent. Those obligations can be sold in the open market, and veterans can use that money.

Mr. BROCK. Does the chairman know of a 3.5-percent interest rate, and what it will bring on the open market? It will bring about 50 percent of book value—parity. Do you want NSLI to take that kind of a loss? Do you not know they cannot afford to do that? They cannot by law jeopardize funds that veterans invest in that fund over the years.

Mr. PATMAN. They could possibly go into the open market and get some for early maturity?

Mr. BROCK. Who will they sell them to?

Mr. PATMAN. The people that want them.

Mr. BROCK. At 3½ percent when they can buy U.S. Government bonds at 6½ percent? No sane person would buy at issue price, and they cannot sell for less.

Mr. PATMAN. Why would the gentleman get so heated up about using the money that is now coming in? Why not use it? It is not invested in anything.

Mr. BROCK. I am delighted to do that, but do not throw out this dream figure of $7 billion and say you are going to solve the veterans' housing problem in that fashion. Let us get down to facts.

Mr. PATMAN. The Secretary of the Department of Housing and Urban Development testified to this recently and we had a committee that went into it for months. The first question asked was, would it get more money, and there was testimony that it would.

Mr. BROCK. If you keep it at 6 percent, Mr. Chairman, you have no money; you have got none. You are going to prevent every veteran in this country from funding his housing program and I do not think it is right.

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

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

I think what we are honestly missing here today is what is needed to keep the interest rates down. Back in the Eisenhower administration the interest rates were raised to 4¼ percent. Two years afterward, it was raised to 4¾ percent. Then the Veterans' Committee was asked to raise it to 6 percent. A short time after that HUD raised the interest rates to 6¾ percent. I am sorry. I meant to say FHA raised it to 6¾ percent. Almost immediately after that HUD raised it to 7½ percent. Almost immediately after that the American Bankers Association raised the prime interest rate to 8½ percent.

What the gentlewoman from Missouri is trying to do here today is what we have tried several times on this floor to do and that is to get a downward trend in the interest rates.

The chairman of the full Committee on Banking and Currency is absolutely trying to get a downward trend in the interest rates rather than a spiral in interest rates, because they seem to follow a pattern. When you raise the interest rate 1 percent, then everyone else after that raises their interest rates.

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

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

Mr. PATMAN. When I came here many years ago there was a very pressing campaign on the part of the veterans of World War I to have an adjustment in their pay. Some called it a "bonus" for the purpose of trying to make it appear unfavorable to the people. There was a bill which I introduced calling for $3.5 billion, H.R. 1, to pay that debt in full because they needed the purchasing power all over the Nation and because the debt should have been paid. I could not get consideration of the House to put a petition on the Speaker's desk under the rules. If 145 Members had signed it the bill would have been brought out for consideration. I got nearly 145 signatures and that figure was raised to 218 and we went ahead and got that.

We did that four times. That bill passed. Every veteran in this Nation on June 15, 1936, received a letter from Uncle Sam including a bond for the amount that he was entitled to, the average amount, $1,015. He could take those bonds—and everyone of them received them on the same day from the Post Office or from the rural carrier at the general delivery window—and they all got their money, $3,700,000,000 less the amount that had been borrowed which, of course, the veterans did not like because they did not borrow that much because the interest rates were high. They were all paid off. And four times by the petition of the American Legion. I attended the American Legion convention and the veterans themselves would, of course, endorse it. But the American Legion leaders who are good people and endorse many good things would not endorse it and it kept them from being paid for years and years.

Finally, it was vetoed by President Roosevelt and we passed it over his veto here in the House and it was sent to the Senate. It lacked eight votes of passing. But the next year we passed it without any trouble, with the help of the people. I do not accept just the leadership of the American Legion on this. I would insist with the gentleman from Texas (Mr. TEAGUE), let us settle it here now and tell the other body by defeating this amendment that we want to get that bill out of committee and bring it to the floor of the House here and let us vote on it. Let it be passed by the Senate and approved by the President and set up a $5 billion fund out of the $7 billion they have and let the veterans borrow their own money to buy their own homes at reasonable interest rates.

The CHAIRMAN. The question is on the amendment to the committee amendment offered by the gentleman from Texas (Mr. TEAGUE).

The amendment to the committee amendment was agreed to.

AMENDMENT TO THE COMMITTEE AMENDMENT OFFERED BY MR. BROCK OF TENNESSEE

Mr. BROCK. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment to the committee amendment offered by Mr. BROCK: On page 44, line 24, strike out " 'January 1, 1970' " and insert in lieu thereof " 'October 1, 1971' ".

Mr. BROCK. Mr. Chairman, I do not need much time on this. It is simply a restatement of the past debate. We successfully amended the law to extend the provision for VA loans for another year.

I am suggesting that there should be no differential. There never has historically been any differential between the VA and the FHA. It seems to me to be the better part not only of valor but of judgment to extend this provision to the average homeowner as well as to the

veteran and apply it to FHA loans as well as to veterans' loans.

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

Mr. BROCK. I yield to the gentleman.

Mr. PATMAN. Does the gentleman give as his reason that we should raise the FHA loans for all of the people because we are raising it on veterans?

Mr. BROCK. No, I do not, Mr. Chairman. I give as my reason the same reason I gave in supporting the amendment by the gentleman from Texas (Mr. TEAGUE). If we do not amend this law today, then there is not going to be any money for any person at any rate. I am not advocating an increase in interest rates. The chairman knows me better than that. I am simply saying that we want some money available for homebuilding in this country—and there is not any today. If the gentleman has his way, if we follow his way, if the ceiling is held as of the first of the year there is not going to be any money available to the average home buyer. I do not think that is fair.

Mr. PATMAN. Will the gentleman advise me of any evidence, documentary or otherwise, that would justify your saying or us in believing that if interest rates are raised, you will get more money. The evidence is that raising rates will not get more money.

Mr. BROCK. The chairman and I have had an argument going back 7 years about interest rates, and I do not think I need to repeat our difference in philosophy at this time. I am not advocating an increase in interest rates, as the chairman knows full well. I am merely saying that the market determines what the supply of money is. If we put on a false ceiling which prohibits money from becoming available to the average home purchaser, where does he go? What right do you have to shut off his efforts? If he wants to pay the 4 percent and can get it, more power to him. If he wants a mortgage and is willing to pay 7 percent and can get money at that rate, is that not his right of choice? By what right do you have to say that the average American family cannot buy a home because it does not fit some preconceived notion of yours about what interest rates should be? Who are you to make such a decision?

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

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

Mr. BARRETT. I believe the gentleman would certainly agree that rising interest rates will not give you more housing.

Mr. BROCK. I have not heard anyone suggest that.

Mr. BARRETT. Increasing interest rates has a tendency not to get more building started. It does in some respects have the tendency to encourage builders to go to the construction of high-cost housing. What we are interested in here, as we pointed out before, is in giving the 6 million people who are living in substandard homes adequate homes and good environment, and the only way we can do that is to get building construction—builders of all types—to go into the lower- and moderate-income housing categories. If they can make an equal profit in that field, as they can in building for the rich, certainly we ought to be going in that direction and providing adequate money to do so. But you cannot do it with high interest rates.

Mr. BROCK. I do not think the chairman, or the chairman of the subcommittee, is addressing himself to the point at hand. I do not advocate a raise in interest rates. All I am saying is that we should make money available for homebuilding at a competitive price so that the average American can make up his own mind as to whether he wants to buy or not. I am a little tired in observing those who point their finger at the average American and say, "You do not have the intelligence to make up your own mind." Give him a chance, will you? Let him have an opportunity to exercise his own free will, and I think he will do all right. He has for 200 years.

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

Mrs. SULLIVAN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentlewoman from Missouri is recognized.

Mrs. SULLIVAN. Mr. Chairman, I shall not take 5 minutes. I would like to ask the gentleman who preceded me a question. You served on the Commission on Mortgage Interest Rates?

Mr. BROCK. Yes, I did.

Mrs. SULLIVAN. And presumably, you agreed with the majority report, because you did not sign the minority views. But do you think the commission brought forth any solution for the mortgage interest rate problem?

Mr. BROCK. I think it suggested a number of very specific solutions. I think what we fail to recognize is that interest rates are not creatures of the moment. They have been pushed up by irresponsible action on the part of many people over many years, and I do not think you are ever going to get interest rates down until the Federal Government quits spending money that it does not have, because it has to take that money from the free market. When it creates a shortage of money in the market, it drives the price of that money up.

Let us get down to the basics. That is where your interest rates come in here. If we want to pull interest rates down, let us do something about that problem.

We also suggested many other specifics, as the gentlewoman knows.

Mrs. SULLIVAN. But in the long run, that was the basis of the majority report of the commission charged with studying mortgage interest rates: balance the budget and take off the ceiling on FHA and VA loans. This was their main suggestion. But they have come out with nothing concrete to make more mortgage money available at reasonable rates of interest, and that is what we were supposed to do in this study, the gentleman will remember.

Mr. BROCK. We could well do that if we just created money. I am not sure it would be worth it.

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

Mr. Chairman, in January 1969, housing starts were estimated at 1,900,000 for the year. After that estimate was made, Mr. Romney raised the rates three-quarters of 1 percent, to 7.5 percent. Did that cause housing starts to increase? It would have, if increasing the interest rates would cause more money to come into the market, but it did not. It did not get any more money into the housing market. Housing starts went down to 1.5 million, recently to 1.3 million and most recently it is estimated they will go down to less than 1 million starts by the end of this year.

This refutes the argument that if we raise interest rates we will get more housing started. That is absolutely ridiculous. We know it and everybody knows it.

The gentleman from Tennessee (Mr. BROCK) argues for high interest. He has a right to do that. He has as much right to his opinion as I have to mine. But I invite the attention of the Members to the fact that from 1938 to 1953 for 15 years, the Democrats under Presidents Roosevelt and Truman held interest rates on long-term Government issues down to 2.5 percent and below. During 15 years of the hardest times in this Nation that was done. That shows it can be done if we want to do it.

But commencing in 1953, under President Eisenhower, the first two bond issues were sold at 2⅞ and 2½ percent. That shows the Democrats delivered the matter of interest rates to the Republicans in good condition, and they immediately commenced raising the rates. Then for 18 years under Chairman Martin of the Federal Reserve Board it was raised. It was raised because they said it would be a deterrent to inflation. They said if we raised interest rates it would stop inflation.

We know the opposite is true. If we raise interest rates, the price of everything is raised, even of goods for sale which are on the shelves. That creates inflation.

On June 9 of this year, one of the Wall Street banks announced the prime rate would go up to 8.5 percent. That is the rate which General Electric and General Motors and IBM pay, but that is not the rate other people have to pay. They pay much higher rates. The prime rate was raised to 8.5 percent, an increase of one whole point. Do Members know how much that raise cost, going from 7.5 to 8.5 percent? Never before was it raised by more than one-quarter percent at one time, except once, when it was raised by one-half, but this time they raised it by one point.

The entire debt structure of this Nation was affected. The public and private debt amounts to more than a trillion five hundred billion dollars. If we pay the interest at the increased rate, that 1 percent on the debt, we will pay $15 billion every year on account of that interest rate increase to 8.5 percent on June 9.

Do Members know how much that will amount to? Every family in this country—and there are about 55 million families—will have to pay its share of that $15 billion a year increase. We should be looking after those families and

not working against them. They will have to pay several hundred dollars each this year and each year hereafter to pay their share of that $15 billion a year increase. That is not justice.

That is gouging the people. I commend the gentleman from Massachusetts (Mr. BURKE), for using the phrase, "Gouging the people." That is gouging in a way that really puts this country in jeopardy. It just should not be done.

I think the amendment offered by the distinguished gentleman from Tennessee (Mr. BROCK), should be defeated. The gentleman's only claim for it is in a logical way that we are raising the interest for the veterans so we should raise it for the others, too. I do not think that is a good argument.

We must tell the gentleman from Texas (Mr. TEAGUE), and others on the Veterans' Committee, that we want that bill to use NSLIC funds for veterans' housing to come out on the floor at once—at once—at once.

That bill would set aside $5 billion of the veterans' own reserve money which they paid in themselves. We can use that money as they get more money in for the purpose of permitting the veterans to purchase their homes. These are the veterans who went to war and bared their breasts to the enemy's bullets.

Our veterans are entitled to a square deal. We can give them a square deal by letting them borrow their own money at 6 percent instead of charging the exorbitant and usurious rate of 9 or 10 percent.

I hope the amendment will be voted down.

Mr. DEL CLAWSON. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, unfortunately the chairman of our committee has tried to distort the amendment into a high interest rate debate.

The gentleman from Tennessee has no intention of increasing interest rates, any more than did the gentleman from Texas (Mr. TEAGUE), when he offered the amendment which we passed in connection with the Veterans' Administration.

As I understand the amendment—and the gentleman who offered it can certainly correct me if I am wrong—it would merely extend the present authority of the Secretary for 1 year, making this authority coterminous with the provision passed in the amendment of the gentleman from Texas (Mr. TEAGUE), for the Veterans' Administration.

There is no effort nor intention to raise interest rates. None of us wants to raise rates. What we are doing is extending authority.

We are not for high interest rates.

When the chairman of the committee referred to a point of delivery made from a previous Democratic administration to a Republican administration, he could not have meant the latest delivery of the Democrats to the Republicans. I believe we had an altogether different situation from the one which was described by the chairman. We had high interest rates then. We had the high cost of money last January, just as today.

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

Mr. DEL CLAWSON. I yield to the gentleman from Georgia.

Mr. BLACKBURN. I thank the gentleman for yielding. I just want to make an observation.

The gentleman from Texas, my chairman, has tried to make this a partisan issue.

First, let me point out that I personally supported the previous administration in its request that we remove the ceiling for interest rates on FHA loans. That move was not made by the previous administration because the previous administration liked high interest rates. Nobody likes high interest rates. I am sure the gentleman from Tennessee (Mr. BROCK), does not like high interest rates.

This move by the previous administration, which I supported, was nothing more than a recognition of the economic facts of life; that is, if money is to be made available to that money market, we have to pay the going rate of interest.

I thank the gentleman for yielding.

Mr. DEL CLAWSON. I thank the gentleman.

This amendment merely extends what was done in the previous administration for 1 more year.

I believe the gentleman's amendment should be passed.

While I am on my feet, I want to make another observation. Unfortunately, there has been a misunderstanding in connection with the sponsorship of this bill. My name was placed on it as a sponsor, without my permission. I was not and have not yet been contacted to join in the sponsorship of the bill personally. Because I did not object nor protest the reporting of the bill in the subcommittee or the full committee, my support must have been assumed. That assumption was erroneously made.

There are a number of provisions in the bill with which I do not agree. I do not always favor all the provisions of an omnibus bill, and certainly there are some sections of this bill which do not warrant my support. It may be that I will have to vote against it.

However, there are other sections that represent the type of housing provisions we should continue; FHA, housing for the elderly and the handicapped, GNMA, FNMA, and the extension of other programs that have been successful. There are others, however, such as rent supplements, interest subsidy, the public housing expansion of contributions in this bill that do not warrant the support of the committee.

In connection with the specific amendment before us, it certainly should be accepted by the Committee, and I hope every Member will support it.

The CHAIRMAN. The question is on the amendment to the committee amendment offered by the gentleman from Tennessee (Mr. BROCK).

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 70, noes 61.

Mr. PATMAN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the chairman appointed as tellers Mr. BROCK and Mr. PATMAN.

The Committee again divided; and the tellers reported that there were—ayes 82, noes 71.

So the amendment to the committee amendment was agreed to.

The CHAIRMAN. The question now recurs on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

Mr. DON H. CLAUSEN. Mr. Chairman, I rise today in support of H.R. 13827, the Housing and Urban Development Act of 1969.

The Federal Government's announced homebuilding goal is 26 million housing units in the next decade, and the congressional mandate calls for 2.7 million housing starts annually to meet this goal. Last year there were approximately 1.5 million starts. This year, current trends would suggest we may not even achieve 1 million starts. Thus, it is obvious that, rather than forging ahead boldly to meet this Nation's critical housing shortage, we are falling seriously behind. In fact, as we approach calendar 1970, we find that we are already facing a national deficit of some 2.9 million housing starts.

This basic legislation which is now before us is a 1-year bill which strives to continue and extend the Nation's homebuilding program. Among its most worthy provisions, in my judgment, are the extension of FHA mortgage insuring authority, improvements in rural housing programs that are desperately needed, and an important new provision to the existing flood insurance program to make this protection more widely and more promptly available.

At a time when the homebuilding industry and the home-buying public are faced with the highest interest rates in a century and a grossly inadequate supply of mortgage credit, this legislation has special meaning for my congressional district; an area that is not only especially hard hit by the homebuilding slump and the present tight money crunch, but one which is heavily dependent on the forest products industry.

It is for these reasons that I am particularly enthusiastic about Operation Breakthrough, introduced as an amendment to this act by the gentleman from Illinois (Mr. ANDERSON), which would accelerate and facilitate the use of improved technology and materials in the homebuilding market, including the use of prefabricated units and products in federally assisted housing projects. Certainly, this amendment is in keeping with the 1966 Housing Act wherein the Congress is on record as strongly endorsing the promotion, acceptance and application of new technology and techniques in order to reduce costs, improve quality and increase the production of housing units.

Operation Breakthrough is a bold, new program to provide low-cost high-quality housing on a volume basis.

If there was ever a time when dynamic thinking, new innovations, and improved techniques were needed to meet this Nation's housing goal and its commitment to the housing needs of the American people, that time is now.

I share the concern of many of my colleagues over the situation which has developed with regard to the neighborhood development program. As a result

of a funding freeze imposed on HUD programs since April 30 of this year, many cities are now losing non-cash local grant-in-aid credits. Now, with many of these credits having reached their 3-year maturity and expiration date, I strongly endorse and support the provision in this act which extends non-cash credits from 3 to 4 years. This will have the effect of providing a much-needed breathing spell for cities such as Napa, Calif., that are trying to help themselves, and I feel very strongly that such cities must be given every opportunity to do so by the Federal Government.

Therefore, in view of the foregoing, I believe passage of this vital legislation to be in the best interest of the Nation, and I urge my colleagues to consider it favorably in light of the critical housing shortage that now confronts the country.

Mr. BYRNE of Pennsylvania. Mr. Chairman, as we are considering H.R. 13827, the Housing and Urban Development Act of 1969, I am pleased to bring to the attention of my colleagues a a speech delivered on this subject by the distinguished mayor of Philadelphia, the Honorable James H. J. Tate. He spoke before the National Association of Housing and Redevelopment Officials at Bal Harbour, Fla., on October 14, 1969:

REMARKS BY MAYOR JAMES H. J. TATE, NATIONAL ASSOCIATION OF HOUSING AND REDEVELOPMENT OFFICIALS, BAL HARBOUR, FLA., OCTOBER 14, 1969

I am very happy to join you today in the attempt to find clarity and unity in the overwhelming national problem of housing—the task of providing decent homes for the vast American public. Of course I am most familiar with the housing and development programs of the city of Philadelphia. I do believe that my city's efforts in this field have had a profound iinfluence on the national scene.

To begin with, one of the cornerstones of the Philadelphia approach has been to develop programs to suit people—not to move people to suit some artificial criteria. Right from the first urban renewal program for Philadelphia, more than twenty years ago, my city has striven to minimize relocation—to deal with the problems within the neighborhoods on the scene.

When I was still a member of City Council, I supported people-oriented housing programs. I was distressed then to see the approach developing at the time—of individual projects instead of total resolutions—of "project" concentration rather than the neighborhood approach.

Our concentration turned to the neighborhoods, in our attempt to find total solutions for the communities. We began to acquire scattered, vacant, and derelict properties, and thus the "used house" program began to shape itself.

These neglected houses, once vacated, became breeding places for crime and disease. They were the centers of rat infestation that threatened entire blocks of homes. They were sites for gang meetings, vagrants, and even of rapes and murders.

That is when we began our program to eliminate derelict properties. I moved the thrust from individual demonstration projects to facing up to the whole range, dealing directly with the total housing picture.

When I found the usual resistance on the Federal level I went to Washington to insist on this new idea for older houses.

Finally federal assistance did come through, and it enabled us to accomplish 5,000 rehabilitations of neglected vacant properties in a two-year period—a record which I believe was unsurpassed in the nation. We still have 40,000 to go.

These rehabilitations—the "used house" program—have served a number of social purposes. Initially, they became a social stimulus—a source of pride—for the entire block.

Other residents who were beginning to accept environmental deterioration as inevitable were encouraged to undertake their own private rehabilitation program—to turn a fresh face toward the street. We have in Philadelphia, for example a marvelous phenomenon called the "Philadelphia More Beautiful Committee," which has organized volunteers of more than 3200 "Clean Blocks" throughout the city.

These "used homes" are made available to low-income buyers, enabling these families to avoid the unfortunate stigma of project housing.

Thereafter, as the Federal government moved toward more community-oriented programs, Philadelphia was well prepared. My city in fact, led all cities of the United States in the use of the tools for public housing, urban renewal, and rehabilitation activities, mainly because we in Philadelphia had already commenced many of these same programs.

We are still moving ahead in our efforts to make decent housing a reality for every Philadelphia family.

In preparation for an entirely new look on housing, Philadelphia has just adopted a completely new Building Code, which I believe will have an enormous impact on our housing problem. Not only does the new Code open the way for using the newest construction materials, but it establishes new standards based on performance, rather than rigid adherence to a set of arbitrary and obsolete specifications.

Citizen involvement is manifested in the fact that Philadelphia has more than thirty non-profit housing corporations involved in housing rehabilitation. These include all manner of citizens groups united in housing for their own immediate neighborhoods—the communities they know best.

Foremost among these is the Philadelphia Housing Development Corporation, a quasi-public agency which administers its own programs of rehabilitation and construction and aids other neighborhood-based non-profit housing corporations. More than forty percent of all units produced in the entire nation by OEO-assisted corporations were produced by our own PHDC.

Recently we have centralized responsibility in our housing efforts. To give direction to our overall program, first, I appointed a Deputy Managing Director for Housing. He is Gordon Cavanaugh, an active member of NAHRO. Gordon also wears two other hats—"hard hats" of course. He is Chairman of the Philadelphia Housing Authority as well as Executive Vice President of the Philadelphia Housing Development Corporation of which I just spoke.

Gordon deserves a lot of credit for our "scattered site" housing program, and carried the ball on the local Administration plan just approved by the City Council which will permit small numbers of public housing units to be built in "any" neighborhood throughout the city, without prior Councilmanic approval.

This new legislation manifests the possibility of a great expansion in public housing, and without affecting existing neighborhoods. By limiting each proposed development to no more than ten housing units, we can avoid the adverse effects on schools, traffic, parking, playgrounds, and other facilities with which I am sure you are all so familiar, and which are constantly raised as arguments against public housing.

Now I do not mean to give the impression that we in Philadelphia have overcome our housing problem entirely. We still have an estimated 28-thousand derelict properties in the city—a real problem of immense proportions.

But I definitely *do* mean that we are engaged in a determined fight to bring decent housing to our deserving citizens in Philadelphia.

With PHA and PHDC cooperation we are now using the "used house" approach to make homes available at low cost. These private homes are offered to public housing rental tenants as their incomes reach beyond PHA limits, and some of these tenants are now becoming home owners.

We have found for that by virtue of our basically sound housing stock, Philadelphia is ideal for housing rehabilitation. The older sections of the city are characterized by block after block of single-family brick row homes, and many of these areas are now under rehabilitation, thus producing good housing and good tax ratables.

As I said earlier, we are determined to help *people*, not abstract projects. If we can effectively restore these derelict homes, we can help communities to stay alive and healthy—which is recognized as the very heart of urban living.

Most people want to stay in their own neighborhoods, if only those neighborhoods can be made livable and attractive. This enables people to retain their neighborhood ties to schools, churches, and community friendships, and local merchants or stores.

On the other hand, the precious American right to social mobility must be preserved. At a recent meeting with Secretary Romney, we discussed the issue of integration in the suburban communities.

We, the mayors of the big cities, pointed out to Secretary Romney that we have the problems of overcrowding while the suburbs have the space. The urban centers have the unemployment while the suburbs have fresh job opportunities. The urban centers have the poor people while the suburbs have the middle class.

Obviously a large percentage of the new housing to be developed in the next decade must be produced outside the central cities. Hopefully this will be done under better conceived planning as recommended by the Advisory Commission on Inter-Governmental Relations with respect to the endless suburban sprawl, restrictive zoning, and wasted land.

There is a specific need for the immediate establishment of a national urban policy for guiding the location and character of future urbanization involving the federal, State and local governments in collaboration with the private sector. Such a policy also would call for influencing the movement of population and economic growth among different types of communities in different ways so as to achieve generally a greater degree of population dispersion within metropolitan areas.

Secretary Romney said he recognized the problem, and promised to use the full range of federal powers to make these open spaces truly open to all, and not just the affluent.

Human responsibilities, he said, cannot be contained by urban boundaries. He suggested the expansion of these responsibilities to the state and suburban levels. But, like everything else, nothing has happened in ten months. We're still waiting.

I truly believe that the vast potential of "Operation Breakthrough" may become a reality. We in Philadelphia have committed ourselves to assist this monumental undertaking in every way we can.

"Operation Breakthrough" can help to fulfill the promise of the 1968 Housing Act, and I am looking forward to its implementation. The demand and the opportunity is present "now." I am hopeful we can move ahead without bureaucratic fumbling and with more adequate funding by the Federal Congress and our Federal Administration. That's real unity.

The cornerstone of Philadelphia's housing and neighborhood improvement programs has been to provide full opportunity to all of the segments of our population for decent housing in an attractive environment. Our goal is to create desirable residential communities throughout the city so that there is full and free choice for all groups. Those who want to leave the ghetto should be given that chance. Those who want to remain in their present neighborhood should be assisted in making their area attractive and free from blight.

We continue to devise new programs and new approaches in order to meet these objectives. We face similar obstacles—not enough money, a prejudice in certain areas against minority groups, and insufficient land areas to develop new housing. Nevertheless, we continue to advance towards the goals and have made significant progress.

Permit me in closing to refer to our strong presentation to the National Commission that the Bicentennial be observed in 1976 with Philadelphia as a focal point.

In preparing for the Bicentennial, we—with full involvement of those in the slums and ghettos—have proposed an Agenda for Action which is designed to eliminate the substandard conditions in these areas and to demonstrate to the world that we are capable of providing a good life for all segments of our population, regardless of income or race.

Mr. FRASER. Mr. Chairman, I am happy to note that H.R. 13827 repeals the provision in the 1968 Housing Act which established income limitations for the section 312 rehabilitation loan program.

I know that housing and redevelopment agencies throughout the country are discovering that the income limits seriously impede the operation of many rehabilitation and code enforcement programs. In some areas the income limits are so restrictive as to make the section 312 program virtually inoperable as a neighborhoodwide rehabilitation tool.

In my district, the Minneapolis Housing and Redevelopment Authority estimates that 50 percent of the people who had been eligible for section 312 loans prior to the enactment of the 1968 act are no longer eligible. Most of these people are younger homeowners with incomes slightly above the 221(d)(3) limits. These are the people we need most to provide stability in our older residential neighborhoods. But we are actually encouraging these people to leave the neighborhood when we tell them that they must comply with rehabilitation standards established for the project area but that they can no longer obtain the 3-percent loans.

As a sponsor of legislation to repeal the income limits, along with the gentleman from Rhode Island (Mr. ST GERMAIN), I would have liked to have seen this bill repeal the limits without any qualifications. However, the committee saw fit to qualify the repeal by adding a proviso which states that in processing applications for loans the local public agencies would be required to give priority to those persons within the 221(d)(3) limits.

If a system of priorities does become necessary because of a limitation of loan funds, this system should certainly not result in any permanent rejection of loan applications by HUD because the applicant is over income. At the most, approval of these applications should be delayed until additional funds are available. Once a local public agency certifies that it has met the loan needs of project area residents with eligible incomes, the local agency should be able to start processing over-income applications without any further delay.

Guidelines with this flexibility will, I am sure, help to make the section 312 program more operable.

Mr. PATMAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FLOOD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 13827) to amend and extend laws relating to housing and urban development, and for other purposes, had come to no resolution thereon.

VIETNAM MORATORIUM

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

Mr. BURLESON of Texas. Mr. Speaker, the so-called Vietnam moratorium started last week, and reportedly to continue until the middle of November, can have no other effect than grave damage to the United States. At the minimum, the publicity these activities are receiving will encourage the North Vietnamese Communists to continue and intensify their intransigence already demonstrated in the months of futile talks in Paris.

There are mountains of evidence to indicate that this vocal minority does not speak for the millions of silent Americans whose deep desire for peace burns as brightly as the fires of our fighting men's camps but who know that a peace without honor and justice is no peace at all.

While many college campuses and the streets echo the rabble of the dissenters, there are the voices of the quiet and the rational to give encouragement.

I take great pride in the counteraction to the so-called moratorium, by a representative group of college students in Abilene, Tex., who observed a special day of Prayer for Peace on October 15.

I am pleased to submit an exact copy of a telegram sent to the President, affixed with over 1,200 signatures of collegians in Abilene, signing their message as "Christian Collegians Praying for Peace":

ABILENE, TEX.,
October 14, 1969.

President RICHARD M. NIXON,
The White House,
Washington, D.C.:

DEAR MR. PRESIDENT: As world citizens who are directly a part of the struggle for the control of men's minds, and more particularly as concerned collegiates who are attempting to interpret the world events which are shaping our destiny, we have become increasingly aware of the awesome responsibility which you share in making decisions which directly affect literally millions of lives. Naturally, we are concerned; indeed deeply troubled at the loss of lives on both sides of the present conflict, and this sense of human concern is acutely heightened by our unique Christian commitment. We, the undersigned represent a significant portion of the 6,000 college students in Abilene, Texas who are convinced that there is a better way in prayer and we have covenanted ourselves together especially for this day October 15, in a concerted day of prayer in your behalf. Please know that we are continually praying for your wisdom, insight, and perception and ask the Creator that He aid you in bringing peace on earth once again.

Respectfully,
CHRISTIAN COLLEGIANS PRAYING FOR PEACE.

NARCOTICS PENALTIES

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

Mr. POFF. Mr. Speaker, it is an error to say that the Justice Department favors less punishment for drug offenses. Rather, the Department recommends a realistic readjustment in statutory penalties which will achieve more equitable, more efficient, and more effective enforcement of criminal drug laws.

Statutory penalties, no matter how great, seldom deter crime. Convictions, not statutes, deter crime. Convictions can best be achieved by making the punishment fit the crime. This gives the law the credibility it must have to command citizen respect.

The present drug penalty structure invites citizen disrespect. It is riddled with inconsistencies, conflicts, and contradictions. The penalty for possession of marijuana is a minimum of 2 years, while the penalty for possession of LSD has a maximum of only 1 year with no minimum whatever. For the second offense of possession of marijuana, the penalty is about the same as the penalty for manslaughter or sabotage. Such statutory absurdities are self-defeating. The prosecutor is reluctant to prosecute. The jury is reluctant to convict. The judge is reluctant to impose the penalty. And the drug offender gets a de facto pardon while society is penalized.

The Justice Department has devised three new penalty packages and invited Congress to choose the package it considers most appropriate. While penalties are graded differently among the three packages, all three have certain features in common.

First, all three distinguish among drug offenders by types—the user, the peddler, and the professional criminal.

Second, all three penalty packages distinguish between possession offenders by types—the user-possessor and the seller-possessor.

Third, all three distinguish between the first offender and the repeat offender.

Fourth, all three packages include a mandatory parole component built into every felony penalty except those fixed for the professional criminal, the purpose of which is to compel every felon to undergo a period of supervised rehabilitation before he is released to the streets again.

I am not yet prepared to say which of the three penalty packages is best. However, whichever package the Congress chooses will be a realistic, hardheaded

improvement over the present penalty system which barks so loud and bites so easy.

RESOLUTION DIRECTING COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO INVESTIGATE PRACTICES OF WASHINGTON GAS LIGHT CO.

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

Mr. CUNNINGHAM. Mr. Speaker, I am today introducing a resolution authorizing and directing the Committee on Interstate and Foreign Commerce to conduct a full and complete investigation and study of the practices of the Washington Gas Light Co. in the District of Columbia and environs in the sale, installation, and servicing of heating and air-conditioning units.

From personal experience, an installation they made in my home was the poorest workmanship I have ever seen. Their service is bad, and in talking with the installers, I found out some things that lead me to believe—and I feel I have evidence—that there are a lot of underhanded methods used between the Washington Gas Light Co. and their contract-out installers. I would also point out that a representative from the Washington Gas Light Co., from whom I bought the unit, was to inform the company that I was to receive a compact unit different from the monstrosity which was installed, which is a Bryant unit and which is practically falling apart after just a short period of time.

I would also want to bring this to the attention of those in the Congress who are interested, as I am, in consumer protection. I earnestly hope that the Interstate and Foreign Commerce Committee, of which I am a member, will investigate these policies and practices of the Washington Gas Light Co. in the near future.

In my district we can rely fully upon our gas company and our power company and when we have dealings with them there is never any trouble afterwards. So I single out the Washington Gas Light Co. because throughout the country other gas companies are reliable, but my personal experience would indicate that the Washington Gas Light Co. is totally unreliable.

When such an investigation can be made is not definite at this time because of other pressing business, but I am going to pursue this matter until the resolution I am introducing today is heard by the full committee or perhaps by the investigations subcommittee, of which I am a member. When I spoke previously on this matter here in the House I received numerous calls from persons who feel as I do about the shenanigans of the Washington Gas Light Co. and the poor workmanship of the Bryant units.

ITALIAN-BORN SALVADOR E. LURIA WINS NOBEL PRIZE

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

Mr. ANNUNZIO. Mr. Speaker, in 1965, the Congress of the United States passed amendments to the Immigration and Nationality Act which for the first time did away with the discriminatory national origins quota system.

Four Presidents—Truman, Eisenhower, Kennedy, and Johnson—had urged that the archaic national origins quota system be repealed before the Congress of the United States took this historic action 4 years ago. I am pleased to say that I was one of the early supporters of this immigration reform bill which was enacted in the 89th Congress.

One of the great benefits which has accrued to our country since the repeal took place was to clear the backlog of prospective immigrants from the Eastern Hemisphere countries, thereby permitting the scientists, doctors, professors, lawyers, teachers, nurses, and other professional people wishing to immigrate to the United States to come here without encountering lengthy delays because quota numbers were unavailable.

Immigrants, and the sons of immigrant parents, have made tremendous contributions to the growth and development of America, and to the well-being, not only of Americans, but of all mankind.

I want to share with my colleagues another vivid example of an immigrant who came to our shores, and by his dedication to his profession, his hard work, and his determination, made a great contribution not only to man's never-ending fight to conquer disease, but to his adopted country—America.

America is proud of her adopted son—Italian-born Salvador E. Luria—of the Massachusetts Institute of Technology, who was named on October 16, along with Max Delbreuck and Alfred D. Hershey, to jointly receive the $75,000 Nobel Prize for physiology and medicine in recognition of their efforts to solve the mysteries of viruses and virus diseases.

In announcing the three winners, the Caroline Institute said that the work of the three researchers, centering on bacteriophage—a type of virus that infects bacteria rather than ordinary cells—since around 1940, has had great impact on biology in general. The researchers worked independently of each other, and Salvador Luria, who is 57 years old, stated that he first was struck with the idea of working on viruses while sitting on a streetcar in Rome in 1938. Professor Luria was at his home in Lexington, Mass., when he first learned of the Nobel Prize he had won. The Caroline Institute referred to Luria, Delbrueck, and Hershey as the three leading figures of bacteriophage research and expressed deep gratitude for their work.

Mr. Speaker, the Congress, by making a major revision of our immigration law in 1965, has made it possible for our country and our people to benefit from the outstanding contributions of many more great men like Professor Luria.

I take this opportunity to express my appreciation for the virus research which has taken place as a result of the efforts of Nobel Prize winners Luria, Delbrueck, and Hershey, and to congratulate them on meriting this high honor. I want to extend to them my best wishes for abundant good health and continuing success in their endeavors in the years ahead.

At this point in the CONGRESSIONAL RECORD, I would like to include an article from the October 24, 1969, edition of Time magazine about these three eminent biologists. The article follows:

A NOBEL THREESOME

Dr. Salvador Luria, 57, washing the breakfast dishes in Lexington, Mass., was incredulous when a neighbor interrupted to report what he had just heard over the radio. Dr. Alfred Hershey, 60, also was skeptical when word reached him at Cold Spring Harbor, N.Y. Dr. Max Delbrück, 63, was disgruntled; it was only 5 a.m. in Pasadena when a reporter called him. Telegrams from Stockholm soon confirmed the news. The three biologists (only Luria is an M.D.) had been jointly awarded the 1969 Nobel Prize in Physiology and Medicine for their work between 1940 and 1952 in microbiology and genetics. The three will divide equally the award of $73,000.

All three of the biologists were honored for their experiments with bacteriophages, a group of viruses that infect bacteria. Scientists had long know that after it invades, a bacterial cell, a virus multiplies rapidly into such great numbers that the cell bursts, releasing a host of identical viruses that seek out and enter other cells, where the process is repeated. By studying these viruses, researchers hoped to learn how more complex forms of life reproduce and pass on hereditary traits.

Coat of Protein. Delbrück, who was born in Germany, and Luria, from Italy, met at Vanderbilt University in 1940 and began to cooperate in their studies of bacteriophages. Luria soon discovered that mutations (a variation in characteristics from one generation to the next) occurred in the viruses, and that these changes were passed on to succeeding generations. Delbrück found that the genetic materials of different kinds of viruses, infecting the same cell sometimes combined, producing a new and different kind of virus.

Michigan-born Hershey, who began exchanging information with Delbrück and Luria in 1942, found more conclusive evidence for the genetic recombination that Delbrück had discovered. In 1952, Hershey proved that the virus, which consists simply of nucleic acid (DNA) surrounded by a coat of protein, leaves its coat behind as it invades a cell. So it must be the DNA that contains the genetic information.

These and other discoveries led scientists to concentrate on the structure of the DNA molecule. The finding in 1953 by James Watson and Francis Crick that the typical DNA molecule consists of a double helix enabled scientists to reduce to relatively simple chemical terms the process by which inherited traits are passed on. But it was the contributions of Delbrück, Luria and Hershey that, in the words of the Nobel committee "set the solid foundation on which modern molecular biology rests."

The three winners are still actively engaged in research, Delbrück at the California Institute of Technology, Luria at M.I.T. and Hershey at the Carnegie Institution of Washington's genetic-research unit at Cold Spring Harbor. Only a fortnight ago, when the three met and compared notes, none had any idea of the honor that the next week would bring.

NOVEMBER 13 PEACE PROTEST BEING ORGANIZED BY PROS

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

Mr. PUCINSKI. Mr. Speaker, the No-

vember 13, 14, and 15 peace march scheduled for Washington is being organized by some of the Nation's top apologists for the Communists—professionals who have made a reputation of denouncing the United States and glorifying all of those things emanating from the Soviet Union.

Let there be no mistake. This second so-called moratorium scheduled for Washington is not being organized by the same young idealists how, by the tens of thousands, participated in last Wednesday's moratorium throughout the Nation as a peaceful protest against America's involvement in Vietnam.

The November exercise is being headed up by such professionals as David Dellinger and Jerry Rubin—both presently under indictment and standing trial in Chicago for conspiracy to incite a riot last August.

Also moving in and out of the November demonstration plan for Washington is Sidney Lens, an old pro in Soviet apologia and a self-styled Chicago-based historian who has consistently failed to see the real menace of communism and its threat to world peace.

I participated in a 2-hour radio program Sunday in Chicago over station WMAQ with Mr. Lens on the effects of the moratorium.

This House should be advised that Mr. Lens and his followers do not want an accommodation to end the war in Vietnam; they want a confrontation for American surrender of South Vietnam to the Communists.

Mr. Lens made it very clear that unless there is a total capitulation by the United States of South Vietnam to the Communists, he and his associates will continue to escalate demonstrations against America's involvement in the Vietnamese conflict.

When I asked Mr. Lens whether his group would continue its demonstrations, even if President Nixon were to announce an orderly withdrawal of troops from Vietnam and guarantee an American disengagement, Mr. Lens replied that this would not alter their plans for continued mass demonstrations.

Mr. Lens' ultimatum to the President that we immediately withdraw all of our troops unilaterally from Vietnam and sever our relations with the Thieu government is nothing more than an echo of the Communist line and far transcends the principles of responsible free speech and orderly dissent.

I hope the young people of America, who deserve the highest praise for their orderly behavior last Wednesday, will now join President Nixon and the rest of the American people in denouncing the tactics of these hard-core apologists for the Communists, who are sponsoring the November demonstrations here in Washington.

I hope the young people of America will join the President in serving notice on Hanoi that the United States, indeed, does want to disengage itself from the Vietnam conflict but that it will not do so at the cost of surrendering the South Vietnamese people to the most brutal bloodbath in man's history.

Sidney Lens and his followers cannot understand that we are not fighting only for a piece of real estate known as South Vietnam. Our struggle in South Vietnam is a manifestation against the global Communist conspiracy which continues in its evil design to take over all of Southeast Asia; the Middle East; Africa, and, ultimately, South America.

I hope, Mr. Speaker, that between now and November 13 we will be able to place in proper perspective the role that young Americans, with all of their idealism for the future of the world, can play in developing an orderly American foreign policy which will help us prevent future wars, but at the same time help us provide protection for people who seek nothing more than the same liberties we enjoy as Americans.

America need not be the policeman of the world but it must provide the leadership for victory of human dignity over tyranny.

I call upon the faculties of American universities to rise to the great challenges of our time and to rally their students to a deeper understanding of the continuing threat that the Soviet Union poses to man's freedom.

I call upon the scholars of this country to put before their students the totality of the problem and not to limit themselves only to the narrow confines of the Vietnam conflict.

I call upon the intellectuals of this country who have the highest responsibilities for leadership to rally the forces of America toward an understanding that the Soviet Union has kept the world in turmoil for 22 years since the end of World War II and today continues its conspiracy to undermine those institutions which allow our intellectuals the great privilege of self-expression and intellectual pursuits.

I call upon the intellectuals of this country to look at Czechoslovakia and see the tragic consequences that ensued just recently when the scholars of that Communist-dominated country tried to develop greater freedom in their intellectual pursuits. The brutal destruction of their efforts by Soviet troops should be a sober lesson to all of those in this country who profess to cherish intellectual freedom.

Mr. Speaker, I call upon the Members of this House to rally behind President Nixon and to show a unified front both in this Chamber and in the other Chamber. Let us in Congress provide the leadership for the American people to rally around the Commander in Chief of our Armed Forces and the constitutional President of the United States who has the awesome responsibility of leading us out of war and charting for this Nation and this world a course of enduring peace and freedom for mankind.

We here in this Congress ought to put aside whatever differences there might be and show Hanoi that America is united behind its President.

This in my judgment is the most meaningful, the most fruitful, and the shortest road to peace in Southeast Asia.

MILROW NUCLEAR CALIBRATION TEST ON AMCHITKA ISLAND

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

Mr. HOLIFIELD. Mr. Speaker, I reported to this House on October 6, 1969, about my trip to Amchitka Island to observe the Milrow nuclear calibration event which took place on October 2. In my report to this House I stated that the test was a complete success.

I have a report, which will be made public by the Atomic Energy Commission this afternoon, on the first complete assessments of the results of the detonation. Studies are continuing and a final report will be available in some 6 months or so. Specifically, I can report that there was very little damage to a few utilities and hutments near ground zero; there was generated a ripple in the water near the island which did not exceed 2 inches; there was not experienced the increase in seismic activity, as had been expected; there appears to have been no appreciable surface motion on the Rifle Range Fault, the closest known fault to ground zero; there was no significant damage to the ecological systems at Amchitka and the surrounding waters, and this included trout and salmon, the king crab and the sea otter; no radiation levels above background have been detected.

I can state that this calibration test, Milrow, went as smoothly as a textbook laboratory experiment. There are still clamors that some sort of commission look into the AEC's activities and report to the President on what is being accomplished and not accomplished in the underground testing field. Do these people really believe that the AEC is a free agent, that the AEC unilaterally decides what will be done and then goes ahead and does it? I would guess that these people never heard of the budget process. I am positive that they are not aware of reviews the AEC makes to insure safety. On that basis I would like to include later in the RECORD an AEC document, "Reviews To Insure Safety of Nuclear Operations."

I would like to point out there are two further reviews made of the AEC's testing program. The first is done by the so-called Under Secretary's Committee of the National Security Council which is chaired by the Under Secretary of State. The other members of this prestigious group are the Deputy Secretary of Defense, the Director of the CIA, the Director of the Bureau of the Budget, the Director of the Arms Control and Disarmament Agency, the Chairman of the

Atomic Energy Commission, the Chairman of the Joint Chiefs of Staff, and the President's science adviser. The deliberations of this body are subject to further review by the President.

I would further like to point out to those who are unaware of the governmental review processes that the Joint Committee on Atomic Energy holds open and executive hearings on all phases of the AEC's plans and budget. There are other committees in this Congress that hold the same kind of hearings.

Now we get to the visceral question of risk versus benefit. Until such time as this country decides to stop underground nuclear testing either unilaterally or by treaty, the AEC must follow a mandate established by the U.S. Senate which calls for four safeguards to our national security. One of these safeguards calls for an effective program of underground testing. The AEC is conducting such a program.

The sponsors of these various bills to appoint commissions want to have studies made on what could likely happen. The AEC makes these studies. The weapons laboratories do these studies on the world's best computers using inputs from the world's greatest experts in every discipline involved. These results are then examined by just about all the safety panels under contract to the AEC. But there comes a time when one has to fish or cut bait, when one must decide when to stop studying and go do it. This is what the AEC has done; they built this test experience by conducting four high yield tests in Nevada, Faultless, Boxcar, Benham, and Jorum. The data from these tests were analyzed and it was stated that the megaton-sized Milrow test would provide no surprises at Amchitka. There were no surprises unless we consider the fact that the after detonation seismic activity was much less than anticipated. This might be called a pleasant surprise.

The material referred to follows:

PRELIMINARY REPORT ON EFFECTS OF MILROW DETONATION, AMCHITKA ISLAND, ALASKA, OCTOBER 2, 1969

The following early assessment of the effects of the Project Milrow nuclear test has been compiled by the Atomic Energy Commission's Nevada Operations Office. Only minor effects have been observed.

Milrow was detonated 4,000 feet under the surface of Amchitka Island, Alaska, at 12:06 p.m. Bering Daylight Time, October 2, 1969. The detonation had an explosive force of about a megaton of TNT and registered 6.5 on the Richter scale as had been publicly predicted.

AMCHITKA GROUND MOTION EFFECTS

A few rock slides and earth slumps occurred along the cliffs on the island. Examinations of the terrain of the island have shown only minimal damage consisting of minor cracking in fill sections of the roadways, sloughing of water saturated embankments, and slight displacements of some of the temporary hutments and facilities. No damage resulted to the airfield, microwave communications systems, power plant, water system (except for two broken water pipes which were quickly repaired), harbor facilities, or permanent camp.

Damage assessment teams reentered the Amchitka main camp, airport and Constantine Harbor facilities about two hours after the detonation. The main camp was reopened for feeding and housing services by 8:00 p.m. the day of the shot and normal jet air service was resumed at the Amchitka airfield on the following day.

The building near ground zero in which the nuclear device components and accompanying instruments were assembled in a 50-foot long steel tube is still standing. However, some siding panels were jarred loose as a result of the blast.

As predicted, ground motion was felt as fairly strong by personnel at the control point 28 miles from ground zero on the northwest tip of Amchitka, and there was no damage. The ground motion was barely perceptible to observers on Adak about 200 miles away. Beyond Adak, the motion was only detectable by sensitive seismographs.

Aboard the USS Princeton, the shock waves were strongly felt at about 11 seconds after zero time. The Princeton was positioned approximately eight miles off-shore from the NW control point.

TSUNAMI—WATER WAVE—EFFECTS

No effects were measured, other than a very slight ripple not exceeding two inches, which was noted near the island.

EARTH TREMORS, AFTERSHOCKS, SUBSIDENCE

Seismic activity in the vicinity of Amchitka, which had been expected to increase in the manner of the many small aftershocks recorded in Nevada following underground explosions of similar magnitude, appeared to be about normal for the region during the several days following the Milrow experiment. The only activity was the usual activity in close proximity to the detonation point, where hundreds of tiny tremors, mostly associated with cavity collapse, were recorded during the first several hours after the event. This activity stopped when the broken rock above the explosion-induced cavity apparently collapsed to the surface about 37 hours after the detonation.

Further study will be made of the natural earthquake patterns. Tremors measured seemed to follow the pattern of pre-detonation activity, which is believed related to normal stress release in this seismic region.

The surface subsidence as viewed from the air is in the form of an uneven saucer-shaped depression in the tundra, with a maximum depth of about 20 feet and a diameter of many hundreds of feet.

HYDROLOGY, GEOLOGY

Acrial and ground visual reconnaissance has indicated no appreciable surface movement along the Rifle Range fault, the closest known fault to ground zero.

Overpressure results available from three water wells close to ground zero showed the normal sharp pressure rise as the seismic wave passed, following which the measured pressures dropped rapidly to pre-shot values. Early information indicates no change in the level of the water table.

Final determination of the geological effects of Milrow must await the evaluation of detailed field observations and surveys.

BIOENVIRONMENTAL EFFECTS

The initial post-event observations verify predictions that the Milrow nuclear test would not produce significant damage to the ecological systems at Amchitka. All live animal boxes and holding pens for test time exposure experiments have been checked and a cursory survey has been made of the environments between one-half mile and five miles of surface ground zero (SGZ).

Aerial photographs have been taken of the test site environs for comparison with similar photographs taken before the detonation. Although a few sea stacks (vertical rocks) were damaged, eagles and other birds that inhabit the stacks were seen perched on the stacks about three hours after the detonation.

There was some movement of tundra, especially along the sea cliffs.

In an experiment to study the effects of the test on freshwater fish, eight live boxes containing fish were located at various distances from surface ground zero. Early observations showed that the Dolly Varden trout and salmon were able to withstand the over pressures produced in lakes and streams as close to SGZ as one-half mile. However, a number of sticklebacks (small fish about one to two inches in length) were found dead from concussions in ponds close to SGZ.

Fish and invertebrates, including king crab held in live boxes in the marine environment, were not affected. Sea otters held in a pen on the shore about 4,500 feet from SGZ appeared normal and all ate food offered four hours after the shot. A few of these otters will be examined to determine if they sustained any detectable internal damages from the nuclear test.

The remainder of the otters from the experiments, including those in floating pens located at greater distances from SGZ, have been moved to the Constantine dock pens for several days of observation in search of possible delayed effects. One otter in the floating pen was found dead—apparently from handling stresses—and the actual cause of death probably will not be known. An autopsy indicated no evidence of pressure injury.

After observations of the live otters is completed within a few days, they will be released into their natural habitat.

RADIATION MONITORING, CONTAINMENT

No radiation levels above natural background have been detected. A total of nineteen continuously operating radiation monitoring units were emplaced in circular arrays about SGZ to distances of 5,000 feet. In addition, eighteen air sampling units were located on the outer circular array of radiation instrumentation and no fresh fission or activation products were detected from these units.

Thermoluminescent and film dosimeters were placed at strategic locations around the island and were also issued as personnel dosimeters. Results from these detectors are not yet available but there is no reason to believe that there will be any positive exposures.

Water and vegetation samples have been collected both pre- and post-event at various on-island locations. Preliminary results indicate no changes in the pre-shot radiation background levels.

In summary, no radiation levels above background have been detected to date, which is a positive indication that containment was complete. However, future monitoring on Amchitka as well as throughout the State of Alaska could become complicated by the anticipated fallout from the recent Chinese atmospheric test.

REVIEWS TO INSURE SAFETY OF NUCLEAR OPERATIONS

(By the U.S. Atomic Energy Commission, Nevada Operations Office, Las Vegas, Nev.)

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.

This continuing effort on the part of NVOO, its contractors, and consultants has permitted the execution of over 300 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 safely and within the constraints of the Limited Test Ban Treaty. All nuclear tests do not necessarily involve all of my individual steps; however, unusual tests may receive reviews from the entire system. Enclosure I shows a listing of various safety review organizations.

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 to 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 of 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.

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 Manager'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 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.

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 meteorological 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 air airborne. Samples are immediately brought back to the Southwestern Radiological Health Laboratory for analysis.

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 2500 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 in 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 capability 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.

SAFETY ORGANIZATIONS FOR NUCLEAR DETONATIONS

Organization	Responsibility	Membership	Reviews are performed: Number of times	Reviews are performed: During phase [1]
I. FIELD ORGANIZATIONS				
A. Sponsoring laboratory	Review to determine feasibility of fielding experiment	Appropriate laboratory personnel (LASL, LRL, DASA, Sandia Laboratory).	Continuing	I, II, III.
B. Ground shock subcommittee	Advise the manager, NVOO through the NTS Planning Board on ground motion problems which may affect the NTS or STS facilities and programs.	Sandia Laboratory, NVOO, LASL, LRL, TC/DASA	do	II.
C. Radioactive effluent subcommittee	Advise the manager, NVOO, through the NTS Planning Board of the adequacy of NTS radiation measurement systems. Evaluates radiation effluent data from nuclear tests and reports their findings through the NTS Planning Board.	LASL, NVOO, Sandia Laboratory, AFSWC, LRL, AFTAC, TC/DASA.	do	II.
D. Scientific management centers	Advise the manager, NVOO, through effects evaluation scientist and NVOO effects evaluation review. Provide for continual study of effects phenomena in specialized areas. Provide continuing predictions. Provide technical scope for research. Design effects measurement programs and provide analysis of observed phenomena.	USGS, LASL, LRL, Sandia Laboratories, ESSA/ARL, Battelle Memorial Institute.	3	I, II, III.
E. NVOO panel of safety consultants	Composed of eminent scientists in the fields of geology, hydrology, rock mechanics, soil mechanics, earthquake seismology, etc, to evaluate programs and prepare safety evaluations for specific events and series of events.	G. B. Maxey, University of Nevada; L. S. Jacobsen, California Institute of Technology; N. M. Newmark, University of Illinois; D. U. Deere, University of Illinois; T. F. Thompson, Geological Engineering; L. G. von Lossberg, Sheppard T. Powell & Associates; S. D. Wilson, Shannon & Wilson, Inc.	As requested by manager, NVOO.	II.
F. Test evaluation panel	Advises the manager, NVOO, on the containment aspects of proposed nuclear explosive tests. Performs periodic reviews of technical data and containment plans to determine their adequacy in assuring compliance with the Limited Test Ban Treaty.	NVOO, LASL, LRL, Sandia Laboratory USPHS, ESSA/ARL, DASA.	Bimonthly	II.
G. Test manager's advisory panel	A panel composed of experienced advisers who are recognized experts on radiation, weather, fallout, and other subjects. The panel examines predictions of the effects of each event and evaluates field preparations designed to minimize predicted hazards.	NVOO, LASL, LRL, Sandia Laboratory, USPHS, ESSA/ARL, medical consultants.	D-1 days and D-days for each event.	III.
H. Nuclear weapons safety program survey/study groups.	Nuclear safety survey and study groups are convened to assure that prior to beginning any operation involving atomic weapons, positive measures are provided to prevent an accidental or unauthorized nuclear detonation.	NVOO, SAN, ALOO, Sandia Laboratory LRL, LASL	Continuing	II.
II. AEC HEADQUARTERS ORGANIZATION				
A. Divisions of Military Application and/or Peaceful Nuclear Explosives.	Compiles, reviews, and submits pertinent event related documents to AEC Commissioners.	DMA and/or DPNE staff	do	II.
B. Division of Operational Safety	Reviews safety plans on special events	DOS staff	As required	II.
C. AEC Commissioners	Review events and grant execution authority	Commissioners	Continuing	II.

[1] Phase I—conceptual; phase II—planning; phase III—field execution.

NVO EFFECTS EVALUATION PROGRAM
SCIENTIFIC MANAGEMENT RELATIONSHIP

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. Browne.

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, 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.

Freshwater Ecology: 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: Johns Hopkins University; Dr. Francis S. L. Williamson.

Radiometric and Elemental Analysis: University of Washington, Seattle, Washington; Dr. A. H. Seymour.

COAL MINE HEALTH AND SAFETY ACT AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia (Mr. HECHLER) is recognized for 10 minutes.

Mr. HECHLER of West Virginia. Mr. Speaker, when the coal mine health and safety bill comes up, I intend to offer several amendments, the text of which follows:

AMENDMENT TO H.R. 13950 OFFERED BY MR. HECHLER OF WEST VIRGINIA

(To protect miners against losing their jobs or being discriminated against for reporting health and safety violations)

On page 19, between lines 18 and 19, insert:

"(j) (1) No person shall discharge or in any other way discriminate against or cause to be discharged or discriminated against any miner or any authorized representative of miners by reason of the fact that such miner or representative (A) has notified the Secretary or his authorized representative of any alleged violation or danger pursuant to section 103(g) of this title, (B) has filed, instituted, or caused to be instituted any proceeding under this Act, or (C) has testified or is about to testify in any proceeding resulting from the administration or enforcement of the provisions of this Act.

"(2) Any miner or a representative of miners who believes that he has been discharged or otherwise discriminated against by any person in violation of paragraph (1) of this subsection may, within thirty days after such violation occurs, apply to the Secretary for a review of such alleged discharge or discrimination. A copy of the application shall be sent to such person who shall be the respondent. Upon receipt of such application, the Secretary shall cause such investigation to be made as he deems appropriate. Such investigation shall provide an opportunity for a public hearing at the request of any party, to enable the parties to present information relating to such violation. The parties shall be given written notice of the time and place of the hearing at least five days prior to the hearing. Any such hearing shall be of record and shall be subject to section 554 of title 5 of the United States Code.

"Upon receiving the report of such investigation, the Secretary shall make findings of fact. If he finds that such violation did occur, he shall issue an order requiring the person committing such violation to take such affirmative action to abate the violation as the Secretary deems appropriate, including, but not limited to the rehiring or reinstatement of the miner or representative of miners to his former position with back pay. If he finds that there was no such violation, he shall issue an order denying the application. Such order shall incorporate the Secretary's findings therein. Any decision issued by the Secretary under this paragraph shall be subject to judicial review in accordance with the provisions of section 106 of this Act. Violations by any person of paragraph (1) of this subsection shall be subject to the judicial review and civil penalties provisions of this title.

"(3) Whenever an order is issued under this subsection, at the request of the applicant, a sum equal to the aggregate amount of all costs and expenses (including the attorney's fees) as determined by the Secretary to have been reasonably incurred by the applicant for, or in connection with, the institution and prosecution of such proceedings, shall be assessed against the person committing such violation."

(To provide criminal penalties for deliberate violations of closing orders)

On page 36, line 16, strike "(a)".

(To insure that, whatever the instrument used, coal dust measurements will be made, recorded, and analyzed for one shift)

On page 46, lines 6 and 22, and on page 47, line 14, strike, "over several shifts".

SECTION 203

(To allow a miner who shows the incipient stages of pneumoconiosis to be re-assigned to an area where the coal dust level is no more than 1.0 milligrams per cubic meter of air, to provide for autopsies for miners with consent of next of kin and to control the noise level in coal mines)

On page 49, line 16, strike all through the period on page 50, line 9, and substitute the following: "shows evidence of the development of pneumoconiosis shall be assigned by the operator for such period or periods as may be necessary to prevent further development of such disease, to work, at the option of the miner, in any working section or other area of the mine, where the average concentration of respirable dust in the mine atmosphere to which the miner is exposed during each shift is at or below 1.0 milligrams of dust per cubic meter of air."

On page 50, between lines 11 and 12, insert:

"(c) Beginning six months after the operative date of this title, and at intervals of at least every six months thereafter, the operator of each mine shall conduct tests by a qualified person of the noise level at the mine in a manner prescribed by the Secretary and certify the results to the Secretary. If the Secretary determines, based on such tests or any conducted by his authorized representative, that the standards on noise prescribed under the Walsh-Healey Public Contracts Act, as amended, or such improved standard as the Secretary may prescribe, are exceeded, such operator shall immediately undertake to install protective devices or other means of protection to reduce the noise level in the affected area of the mine, except that the operator shall not require the use of any protective device or system which the Secretary or his authorized representative finds will be hazardous or cause a hazard to the miners in such mine.

"(d) If the death of any active miner occurs in any coal mine, or if the death of any active or inactive miner occurs in any other place, the Secretary of Health, Education and Welfare shall provide that an autopsy shall be performed on such miner, with the consent of his surviving widow or, if he has no such widow, then with the consent of his next of kin. The results of such autopsy shall be submitted to the Secretary of Health, Education, and Welfare and, with the consent of such survivor, to the miner's physician or other interested person. Such autopsy shall be paid for by the Secretary of Health, Education, and Welfare."

(To give miners the right to sue in the case of mine accidents where the operator is grossly negligent)

On page 117, after line 17, insert:

"TITLE IV—JUDICIAL REMEDY

"SEC. 501. Any miner in a coal mine subject to this Act who shall suffer personal injury in the course of his employment as a result of the gross negligence of the operator, may, at his election, maintain an action for damages at law, with the right of trial by jury, against the operator of the coal mine, and in such action all statutes of the United States modifying or extending the common-law right or remedy in cases of personal injury to railway employees shall apply; and, in case of death of any coal miner as a result of any such personal injury, the personal representative of such coal miner may maintain an action for damages at law, with the right of trial by jury, against the operator of the coal mine, and in such action all statutes of the United States conferring or regulating the right of action for death in the case of railway employees shall be applicable. Jurisdiction in such actions shall be under the court of the district in which the operator resides or in which his principal office is located. This section shall not preempt any existing State statutes or other provisions of this Act which provides for compensation for coal miners. Any recovery obtained under this section shall be reduced by any amounts received under such compensation statutes."

REFORM OF THE DRAFT

The SPEAKER pro tempore. Under a previous order of the House, the gentlemen from Indiana (Mr. HAMILTON) is recognized for 10 minutes.

Mr. HAMILTON. Mr. Speaker, the Nation's Selective Service System operates unfairly, unevenly, and uncertainly, and it needs major reform. I am pleased that the Congress is now moving to correct some of the major deficiencies. In the remarks that follow, I explain in more detail my own views about the draft.

The Nation should adopt a system which would: First, induct eligible men on the basis of a order of call which has been randomly determined; second, reduce the period a young man is exposed

to induction from 7 years to 12 months; third, treat registrants equally without discrimination against the poor and uneducated; fourth, induct younger men before older ones; fifth, make the administration of draft laws more uniform; sixth, enroll men now rejected for service because of lesser mental and physical abilities in programs leading to their eventual enlistment.

The basic problem of the draft was phrased by the National Advisory Commission on Selective Service in 1967 by the question: Who serves when not all serve?

President Johnson noted at the time of the publication of the report that—

> Complete equity can never be achieved when only some must be selected and only some must serve.

Although the problem of the draft has been brought into sharp focus by the war in Vietnam, it is an enduring problem. It is a major cause of the restiveness and dissension so frequently found among our young people. It is incumbent upon the Congress to find a method to procure the manpower necessary to assure the Nation's defense under any circumstances, and, at the same time, to find a system which functions fairly and uniformly, with due regard for individual rights, and with minimum interference in lives into which it intrudes.

In a free society few laws are more difficult to write than a law based on compulsion. Many interests have to be balanced, and the impact of compulsion softened where possible. The law must strive for fairness to all citizens, meet military manpower requirements, minimize uncertainty and interference with individual lives, harmonize with social and economic goals, and conform to budgetary and administrative considerations. It is a formidable challenge to deal in a fair and democratic manner with classification and selection of registrants, qualification for military service, grounds for deferment and exemption, procedure of appeal and protection of individual rights, and the organization of a nationwide system.

I. THE DRAFT IS NECESSARY

A draft system to provide the Nation with adequate manpower in changing circumstances is necessary. But increased efforts must seek to make the armed services more attractive and to provide opportunities for more men and women to serve in the Armed Forces, thus reducing the number of men who must be involuntarily called.

A. VOLUNTEER SYSTEM

The military services have placed great emphasis upon volunteers; they have contributed two-thirds of the military force since 1950. The Defense Department estimates that about four out of 10 volunteers in the years prior to Vietnam were motivated by the existence of the draft. But the basic emphasis upon volunteer service is clear.

The idea that volunteer service could eliminate the need for the draft altogether is attractive. But the draft has been necessary because the Nation has not been able to get enough volunteers to meet military manpower needs since 1940.

Further study of the volunteer system should continue and be supported by Congress, with the intention of adequately investigating all potential alternatives to the present system.

Before the all volunteer system can be accepted three main objections must be met: First, capacity to meet fluctuating manpower levels; second, cost; and third, social consequences.

1. ACHIEVEMENT OF MANPOWER LEVELS

World conditions change and the requirements of the military for manpower change with them. An exclusively voluntary system could not meet the changing demands.

The Civilian Advisory Panel on Military Manpower Recruitment—headed by Gen. Mark Clark—concluded in its 1967 study that the volunteer system would "risk jeopardizing the security of America by depending on an uncertain method of military manpower procurement, while abandoning the invaluable flexibility inherent in current systems."

The Defense Department, also in a 1967 study, supported these sentiments, citing these qualitative considerations: better educated entrants would be apt to opt for civilian employment, medical personnel could not likely be induced to enlist, Reserve forces would be both smaller and older than they are now, and total enlistment figures would decrease—based on the fact that 70 percent of enlistment were then, and are still, draft motivated.

Substantiating evidence for the last point comes from a study of Australia's volunteer army system—the draft was abolished there in 1960. In that country in the early sixties, 1.9 percent of the male population, age 19 to 45, was in the military, compared with 6 percent in the United States. The entry pay in Australia for privates was $163, roughly twice that of the U.S. recruit in absolute dollars. Yet, Australia found it difficult to maintain a force of 52,000 men—the equivalent of 850,000 men in the U.S. military. It had to reinstitute a draft system in 1964, when a decision was made to increase their military strength by 25 percent. Recruitment of officers under the volunteer system was particularly difficult.

An all-volunteer system just does not appear capable of meeting the widely fluctuating needs for manpower dictated by international events.

2. COST

An exclusively volunteer system would be very expensive, although the Defense Department does not give any solid estimate of the cost.

The cost figures vary quite widely when the volunteer army is discussed. The Defense Department, in 1966, estimated a range of $4 to $17 billion for a manpower level of 2.65 million. The cost of maintaining a volunteer force at 3.3 million, the current level in December 1966, was not estimated because "maintenance of such a force under current wartime conditions was considered totally unfeasible."

Dr. Walter Oi—Department of Economics, University of Washington; ex-Defense analyst—made cost estimates that were considerably lower than the Defense Department's: $4 billion in peacetime, 2.7 million men; $8 billion in wartime, 3.1 to 3.2 million men. Dr. Oi said, however, that—

> If you're talking about raising forces from 3 to 4.5 million men, then I say we're in an all-out war, and to talk about a voluntary system here is academic.

In reaching his estimates, Dr. Oi assumed that: First, each man has his price for entering the military; and second, the military is like any other occupation. These assumptions are subject to serious question.

The Defense Department has summed up the arguments on costs by concluding in its 1967 study that the costs of attempting to attain an all-volunteer force would be very high and that the yields would be varying and uncertain. There is, it was found, no "scientific method of predicting the precise relationship between increased pay and increased recruitment in a dynamic society." I would support increased material and psychic rewards for military service, but I am not persuaded that they can be sufficiently increased at an acceptable cost.

3. SOCIOPOLITICAL RAMIFICATIONS

Some persons see unfavorable social consequences in an all volunteer force. Margaret Mead, noted sociologist, says that—

> The substitution of volunteers for a limited period, even if it were to provide a sufficient number of men, has the disadvantage of drawing on men with specific types of character and temperament. . . If the armed services—through some sort of nationwide draft—are continually faced with the task of absorbing recruits to whom the military way of life is basically uncongenial, or even repellent, there is a useful check on the development of a highly differentiated counter-civilian ethos. A professional army, with life-long career commitment, is even more cut-off from civilian style as those with inappropriate character can be cut-off all through the recruitment and training and advancement process.

The arguments she raises demonstrate why the problems inherent in the establishment of such a system should be assiduously examined.

I do not contend that an all volunteer system will never be feasible in the United States, but I am persuaded that it would not permit sufficient flexibility in crisis. The Nation must have the machinery to produce great numbers of men quickly, and so I conclude that a draft is necessary. The concept of an all-volunteer force should continue to be studied, but it remains extremely difficult—though perhaps not impossible—to maintain an all-volunteer professional force of the size required.

B. UNIVERSAL MILITARY TRAINING

Under this system all young men would be required to enroll at age 18 for a period of service of 4 months to a year. Proponents of this system—referred to as UMT—argue that it would strengthen the Nation, inculcating a sense of discipline, civic consciousness, and patriotism. They see it as a solution to the service problem of training, educating many Americans who fail to qualify for the service. It must be rejected, however, on three grounds: First, UMT is geared to the age of mass armies, not supersonic planes and nuclear weapons, and, there is no military requirement for it. Second, the training cost and turnover rate would

be tremendous—men would be discharged just when they began to be efficient as soldiers. Third, the additional cost in monetary and budgetary terms would be enormous and far beyond that of a volunteer system.

In sum, UMT would simply provide quantity, not quality, and the general public would not tolerate having all men under arms without the necessity of war.

C. NATIONAL SERVICE

The alternative of national service would mean compulsory service for all young men, and young women, in which everyone affected would serve the Government in either a military or a civilian status. This degree of compulsion and regimentation on a national scale has unfortunate totalitarian implications, and would endanger the democratic foundation of our society. Its implementation would provide many more youths than any present governmental program could effectively utilize. Moreover, no fair way has yet been devised to equate the sacrifices of military service with civilian service.

II. THE EXISTING SYSTEM

The present draft law expires June 30, 1971. Under it, every young man reaching 18 years of age registers with his local board. The board classifies him. At the age of 19, every qualified youth is placed in a pool of maximum eligibility, where he remains until his 26th birthday. Local draft boards—over 4,000 of them—select men from the pool for induction on an oldest-first basis.

If a young man is deferred for occupational reasons, or as a student, he is placed back into the maximum eligibility pool when the deferment ends. If he is already 26, he is placed in a power priority pool reserved for use if the maximum eligibility is exhausted. His eligibility in the power priority pool runs until his 35th birthday.

The deficiencies in this system are numerous and frequently condemned, including these:

A. REGISTRANT/LOCAL BOARD RELATIONS

The National Advisory Commission on Selective Service, headed by Burke Marshall—former Assistant Attorney General—recognized the fact that the "neighborly" concept of the local board exists more in theory than in fact. Local boards, except in rural areas, do not know the background of the registrant, and the registrant does not know who the members of his local board are.

Many local boards are overburdened with work, most of it of a routine nature. and have little time for the personalized service that is so essential for equitable and "neighborly" operation. They are, instead, caught up in a sterile numbers game, dispensing decisions that are predominately automatic in nature, that is, student deferment expirations, et cetra.

B. LACK OF ADMINISTRATIVE STANDARDS

The National Advisory Commission also noted that there was a "critical need for policy uniformity through the application of clear regulations consistently applied." As it now operates, the system reveals a distinct lack of standardization in the guidance local boards receive.

The result has been that each local board follows its own inclinations without adequate supervision and direction from above. This causes great consternation and unhappiness with the draft system.

Under the operations of the present system there is a great difference in a young man's chance of entering military service, depending on social and economic considerations. Men with less than an eighth grade education and Negro high school dropouts are not apt to enter because more of them fail the examination. Graduate students are less likely to enter because they get student deferments until they are 26, become fathers, or get occupational deferments.

The local boards apply a variety of standards with the result that two boys, living in adjoining counties and in similar circumstances, will be treated differently. Student deferments have caused much confusion, and local boards operating under ambigious guidelines, have adopted different policies. Some boards reclassify, others never do.

This variance of administrative standards has led to the type of situation in which efficiency is minimized and uniformity generally absent. More registrants in New York City hold agricultural deferments than do in the whole State of Nebraska, a state of affairs that shows the urgent need for administrative reform.

C. ORDER OF INDUCTION

By drafting the oldest first, as required under the present system, the youngest are never certain about their draft status. A 7-year period of vulnerability, from age 19 through 25, results, and it is most disruptive and disconcerting, impeding as it does long-range planning by the young men involved.

The order of induction from oldest to youngest has disadvantages for others as well: for employers, it means the loss of trained personnel, settled in their jobs; for the Selective Service System, it means a proliferation of deferment applications and appeals; for the Armed Forces, it means older recruits, less adaptable to the rigors and regimentation of military training.

D. INEQUITY

The most unfair, uneven, and unpredictable aspect of the present system arises from the fact that not every eligible man must be called upon to serve. It is intensified when the number of men needed is relatively small in relation to the numbers available.

Consider these estimates: in 1948, less than 1.2 million male Americans were 18 years old. Today that number has increased about 60 percent to almost 1.9 million, and will exceed 2 million in the 1970's. Because of this population increase, many more men are available for military duty than are required. A decade ago, about 70 percent of the group eligible for duty had to serve the Armed Forces to meet our military needs. Today, the need is for less than 50 percent and only about a third or less of this number must be involuntarily inducted—even under conditions of war.

The danger of inequities arising in these circumstances is great. Only a random selection system whereby each man—rich or poor, graduate student or high school dropout—has an equal chance of being selected first, second, or not at all will alleviate the risk of inequity.

These deficiencies of the present system have a real impact upon the Nation's youth. Senator RIBICOFF has noted that—

> One of the great tragedies of the Vietnam conflict is that it has alienated the young of America. * * * Their attitude toward the draft is one of alienation from their nation.

The degree of their alienation is manifested in statistics like these: First, as of May 1969, 5,000-plus young men had fled to Canada, Sweden, or other locales from which they could not be extradited. Second, cases of draft law violations numbered 239 in 1960, 1,192 in 1968, and an estimated 3,000 in 1969. Third, there were 615 draft law violators in prison in May 1969, but this number is expected to soar soon, what with all the cases now in the courts. Fourth, finally, in 1961, 14,000 registrants were carried on the books as delinquent—those who failed to conform in some manner with the present draft laws—the number is now approximately 23,000.

These figures are not apt to diminish as long as the present system exists, There is no love lost between draft board registrant and draft law administrator when the latter—General Hershey—insists that "in determining what would best serve the national interest, the registrant's wishes are not relevant."

These are only the more obvious deficiencies in the system as it exists today; others will be discussed in the process of outlining the type of random selection system which should be established.

III. SUPPORT FOR REFORM

Reform is desired by a vast majority of the population, as recent opinion polls amply demonstrate, indicating that only 32 percent of the population favor continuation of the draft in its present form, while 65 percent advocate a change, either to a lottery or to a volunteer system. These results show that American citizens want a change. It is time for Congress to act constructively and progressively.

The need for change has been rightly recognized by both Presidents Johnson and Nixon. President Johnson correctly noted more than 2 years ago that—

> There is no perfect solution. For the unavoidable truth is that complete equity can never be achieved when only some must be selected and only some must serve. I have concluded that the only method which approaches complete fairness is to establish a(n) . . . impartial random system of selection which will determine the order of call for all eligible men.

Two years later, President Nixon submitted draft legislation to the Congress which would reduce the period of prime vulnerability for young Americans from 7 years to 12 months, and which provide for a switch from an oldest-first to a youngest-first order of induction through a random selection system. He reiterated his appeal for draft reform in a message to Congress on October 13, 1969, and gave it first priority on his list of desired reforms.

Demand for reform has also come from

the findings of two studies initiated by President Johnson: the National Advisory Commission on Selective Service—the Marshall Commission, and the Civilian Advisory Panel on Military Manpower Procurement—the Clark panel. The former recommended a lottery; the latter favored the present method of induction, but advocated a change to the induction of the youngest first. President Nixon has instituted a third study—an Advisory Commission on a All-Volunteer Armed Force.

I also note the strong desire for reform among my own constituents. Some of them have expressed their wishes and complaints:

I would urge you to vote in favor of the lottery system over the present out-dated system.

I believe the draft lottery would be more fair to all concerned.

I favor the lottery system * * *. I believe that what is fair for one man is fair for all men.

This period of waiting to be drafted is far too long.

IV. THE PROPOSAL

The draft needs a basic law providing for tighter administration and with assurances of equal treatment for those in like circumstances. The law should include the following provisions:

First. The youngest men, beginning at age 19, should be taken first.

Second. Eligible men should be inducted by the order of call based on a random selection method. For 1 year the men in the pool would be exposed to maximum vulnerability to the draft. Induction would be in the sequence determined by the random process.

Third. Student and occupational deferments should be provided at the President's direction, but student deferments should end automatically in periods of national emergencies.

The bill I introduce includes other provisions to correct existing deficiencies of the present system.

Some of its provisions are:

A. RANDOM SELECTION

The random selection system which works as follows: A young man would register with the Selective Service System immediately upon his 18th birthday, according to rules and regulations prescribed by the President. As soon as practical after registration, each registrant would be examined physically and mentally in order to determine his suitability for induction for training and service in the Armed Forces. As soon as practical after this examination, the Selective Service System would classify him. After classification, the registrant would not be immediately available for induction until he has reached the age of 19.

At age 19, the registrant would enter the prime age group for a period of time not to exceed 12 months. His name would be placed in a pool of equally eligible registrants. The President could determine whether he wanted these pools created on a monthly basis, a semiannual basis, an annual basis, or any other period of time.

For example, if on a monthly basis: The order of actual induction from among this prime selection group would be determined by random selection. The Director of Selective Service would publish each month a list of numbers corresponding to the days in that month. These numbers would be arranged in a random sequence determined by a computer or some other means. The numbers for January, in this example, might read 11, 22, 7, 18, and so on until all the numbers from 1 to 31 are listed. The President would be given the discretion to determine whether the monthly prime selection group should be a national, regional, area, or some other group.

For the sake of illustration, let us consider regional pools.

If a regional office under this proposal had a quota of 1,000 men for January it might have 7,000 men eligible for induction. To choose the 1,000 it would refer to the list published by the Selective Service Director for January. Under this example, the first number was 11, the second 22, the third 7, and so forth. Those with birthdays on those dates would be chosen until the quota of 1,000 men had been reached. Those 1,000 men would then be inducted. The remaining 6,000 men would not be called, but would, of course, continue to remain liable in the event of a national emergency. But since they would not be called until the pool of men in the following month had been exhausted, those not selected could be reasonably certain of their status and make plans accordingly.

Under the example illustrated above, the effective eligibility of a registrant would be for 1 year, not the 7 years that it now is. As the registrant grows older, he becomes less likely to be drafted, and is better able to plan his future without interruption.

The actual workings of a yearly lottery would be similar to that described earlier for the monthly lottery. A whole calendar year would be scrambled at once and the people born within that year would be ranked accordingly.

B. ORGANIZATION OF THE SELECTIVE SERVICE SYSTEM

Area offices in each State would be the registration and classification centers. A civil service staff, applying regulations established by the National Selective Service headquarters, would classify each registrant within the jurisdiction of each area office in a uniform and impartial manner. Automatic data processing equipment for handling the vast amounts of information involved would facilitate the operation of the system nationally.

Since fairness can be achieved only when there are ways in which an individual's relationship with a system can be personalized, a major virtue of the proposed organization is that it would provide facilities and avenues for such personalization. Registrants confused or intimidated by the selective service process could visit their area offices for a more individual treatment of their registration and classification.

Since 90 percent of the classifications now made by a local board are automatic, these classifications can be dealt with far more economically and efficiently in centralized area offices. Problems requiring large amounts of discretion, such as hardship deferments and conscientious objector classification, would also be made at the area level. However, any registrant who is unhappy about his individual treatment could take his problem to an appeal board.

If the local boards become appeal boards, as I suggest, the time and efforts of local board members will be much more prudently utilized, because it is in acting on appeals that their personal knowledge of registrants can be best devoted to the welfare of the individual. If the local board denies the registrant's request for reclassification, he would be able to appeal to the regional appeal board, which would be the second stage of the appeal process. They would be guided by the same criteria used in the area offices. If the registrant is still dissatisfied, he could appeal to the National Appeal Board, as he is now able to do.

Two other changes should be made in the organization of the present system: First, the term of the office of the National Director of Selective Service should be limited to 6 years, and the holder—or nominee—should come under the periodic scrutiny of the Congress; second, the maximum age of local board members should be reduced from 75 to 65, thereby insuring that they are more representative of the communities they serve.

C. STUDENT DEFERMENTS

The issue of student deferments is a very sensitive one. Deferments should not become exemptions, as often happens under the present system. A strong argument can be made that no student deferments should be given. There is no evidence that abolishment of student deferments would deter young men from going to college and interrupt the output of college trained men in the country. Nonetheless, education is essential to the improvement of our society, and we cannot risk such a possibility. Their elimination would have a harmful impact on the educational process of the country, and would unduly complicate the officer procurement problem—80 percent of each year's crop of new officers come from colleges. I, therefore, favor their continuance, but not under the present administrative arrangement.

It should be noted that the criticism of student deferments relates more to the abuses of the principle of deferment than to the principle itself. The proposal in the bill I introduce does not permit a deferment to be converted into a permanent exemption and does not permit the student to defer himself into a period of tranquillity, thus avoiding a shooting war.

Under the proposed plan the President is authorized to "provide for the deferment from training and service in the Armed Forces of persons requesting such deferment who are satisfactorily pursuing a course of instruction at a bona fide college, junior college, community college, university, or similar institution of learning, or at a vocational school, or who are enrolled in and satisfactorily pursuing an apprentice program or similar occupational program." The above definition of a "student" is one that is expanded from the present interpretation.

Student deferments would continue until registrants reach their 25th birth-

day or complete their undergraduate study. Furthermore, when casualties in an armed conflict reach 10 percent of the number of persons inducted during a 3-month period, all student deferments would end automatically. The bill allows students to postpone their vulnerability to the draft for a period of 2 to 3 years. In no way would they be able to avoid a shooting war under the 10-percent clause, and no other kind of deferment would be available to a student after he completed his course of study that would not have been available when he was 18 or 19 years old. Thus, the requirements of equity and fairness are met, while at the same time allowing for the value placed by our society on education and acquiring vocational skills.

D. OCCUPATIONAL DEFERMENTS

The Military Selective Service Act of 1967 authorizes the President to provide for the deferment from training and service in the Armed Forces of any or all categories of persons whose employment is found to be necessary to the maintenance of the national health, safety, or interest. This is a vital provision which should be included in any subsequent draft legislation.

Under present conditions, the administration of occupational deferments is quite haphazard—witness the number of agricultural deferments in New York City. Their administration should be more tightly regulated, so as to allow only those with a clearly demonstrated need the privilege of receiving such a deferment, and should adhere to uniform national criteria.

My bill continues in substance if not in fact the intent of previous legislation on this issue. It states that—

> Nothing herein shall be construed to prohibit the President, under such rules and regulations as he may prescribe, from establishing a separate and distinct selection system for persons found by him to have special skills essential to the national defense.

E. RIGHT TO COUNSEL

It is a confused, frightening, and generally disturbing experience for a young man when he appears before his draft board. Many times, because of ignorance of the draft laws and/or stage fright, the registrant does not adequately present his case, with consequences that are undesirable. To alleviate this situation, it is necessary that the registrant have the right to be represented by counsel to insure that the registrant has full understanding of the proceedings and that fair and equitable treatment occurs. The registrant should also have the right to appear in person before regional and area offices, as well as before local appeal boards. My bill would provide for the establishment of all the procedures just mentioned.

F. TREATMENT OF ALIENS

It is patently unfair that an alien, in temporary residence, be drafted into our Armed Forces without having the right of free choice between permanent citizenship—with its inherent duty to serve, if chosen—and eventual repatriation at the time his visa expires. Those who do not wish to become U.S. citizens should not be obligated to assume responsibilities identical to those who do.

The bill I introduce would continue to provide for the selection of aliens who remain in the United States for over 1 year and who do not otherwise qualify for deferment or exemption. It allows an alien who is ordered for induction, however, to change his status to that of "non-immigrant," thus becoming exempt from military service and at the same time becoming permanent ineligible to become a U.S. citizen.

G. PHYSICAL AND MENTAL STANDARDS

Another improvement in the present system which must be made is the elimination of the situation whereby a person who wants to enlist can be rejected on physical and/or mental grounds, but can be later inducted under the draft. The bill would insure that a person who volunteers for military service and who is rejected on mental or physical grounds cannot later be inducted into the Armed Forces unless there is some subsequent mental or physical change that would make him eligible for enlistment.

H. CONSCIENTIOUS OBJECTORS

The present draft law states that—

> Nothing contained in this title shall be construed to require any person to be subject to combatant training and service in the Armed Forces of the United States who, by reason of religious training and belief, is conscientiously opposed to participation in war in any form.

This language is too restrictive, and should be expanded to include that of the Supreme Court's in United States against Seeger. The decision in that case was that religious training and belief "does include a sincere and meaningful belief, which occupies a place in the life of its possessor parallel to that filled by an orthodox belief in God." The effect of this inclusion would be to eliminate confusion among local draft boards, and to make the guidelines for conscientious objection classifications clearer and more readily available to registrants.

The National Council of Churches says:

> Conscience is not a monopoly of Christians or of the religious traditions. Neither is there one kind of conscience that is "religious" or another that is "non-religious," but only the *human* conscience, which Christians see as God's gift, whether or not every individual so understands it.

The freedom of choice to participate or not to participate in war is a highly personal and moral one; and broad latitude to make this choice should be included in the law.

Another necessary addition to the present law concerning conscientious objectors is a requirement for a hearing by the Department of Justice when a local board decision denying conscientious objector status to a registrant is appealed. This would provide the appeal board with impartial information concerning a claimant's sincerity and "religious training and belief," information which the normally busy appeal board would not have the time to acquire. The reinstitution of Justice Department review of these cases will make it easier for registrants who do qualify for conscientious objector classification to obtain it, while making it much harder for draft evaders to escape service through the route of conscientious objection.

I. OTHER PROVISIONS

In addition to the basic provisions described above, the bill I introduce provides for the institution of four basic and necessary studies that might lead to future beneficial alterations in draft legislation.

A. VOLUNTEER ARMY

This alternative has been discussed earlier and conditionally rejected, at least for the present. Problems with cost, ability to provide desired manpower levels, and sociopolitical ramifications are yet to be solved. Its potential for future application, however, needs to be further studied.

B. MILITARY YOUTH OPPORTUNITY SCHOOLS

Many of the men presently declared unfit for service in the Armed Forces could, with a minimum of expense, be so trained as to meet both the mental and physical requirements for military service. Such men could be trained, on a voluntary basis, in military youth opportunity schools.

The advantages of such a program are many:

First. Many men who desire to join the Armed Forces would be given an opportunity to serve that would not otherwise be theirs.

Second. Many unemployed and perhaps unemployable men would be given the opportunity to learn skills, such as reading and vocational skills, which could be used later in civilian life.

Third. Many men would not have to be drafted involuntarily, because their place would be taken by others who have much to gain, rather than lose, from military service.

C. NATIONAL SERVICE CORPS

The intent of this study would be to determine the feasibility and desirability of considering some National Service Corps programs—potential ones would be the Peace Corps and VISTA—as alternatives to fulfilling one's obligation of service to the country. A person should have the right to determine the form his service shall take; freedom of choice should not be eliminated in the course of accepting the responsibilities of national service.

At present I do not see a fair way to equate nonmilitary with military service, and do not believe they can be considered an alternative to the draft. I see no objection and possible gain, however, in further exploration of the concept.

D. AMNESTY STUDY

A study should be conducted as to the appropriateness of granting amnesty in the near future to those registrants presently outside the United States who are liable to prosecution under selective service law, and who return to this country within 5 years of expatriation. They would return knowing that they would be free of criminal persecution, but also knowing that they would have to accept their responsibilities under selective service law and be exposed to the draft in the prime age group just like other registrants.

It might be an act of great future benefit to the country if amnesty were granted if it resulted in even a partial diminishment of the present war-inspired divisions in the population. As

George Washington said in his proclamation of amnesty on July 10, 1795:

It appears to me no less consistent with the public good than it is with my personal feelings to mingle in the operations of Government every degree of moderation and tenderness which the national justice, dignity, and safety may permit.

CONCLUSION

The provisions of my bill discussed above describe specific alterations in the present draft system which I think are both necessary and desirable. They are oriented toward the immediate future, and should be instituted as quickly as possible in order to correct the faults that are so rampant in the selective service law. I have supported these provisions not merely because I agree with the precise recommendations they incorporate, however. I support them as well because of the type of alterations they suggest and because the intent of the bill is to make changes that I find identical to those I would recommend. Thus, regardless of the success of this bill in becoming law, I will continue to advocate that the Selective Service system evolve toward the type of structure just outlined.

General Hershey urged in May 1969, that the Congress act "promptly and favorably" on legislation to reverse the present order of induction and to establish a random selection system. Indication of his support should signal the fact that the present system is not apt to be long lived. The time to change to a random selection system has come. Margaret Mead noted, in the same speech cited earlier, that—

A nationwide draft helps to underline a sense of national commitment and the urgency of total national involvement in the maintenance of an orderly world.

Action is needed now to make this "nationwide draft" an equitable, fair, and predictable one.

My bill, as introduced, follows:

H.R. 14466

A bill to amend the Military Service Act of 1967 to provide for a fair and random system of selecting persons for induction into military service, to provide for the uniform application of Selective Service policies, to raise the incidence of volunteers in military service, and for other purposes.

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 "Selective Service Act of 1969."

TITLE I—PURPOSE AND DEFINITIONS

TITLE II—SELECTIVE SERVICE SYSTEM

TITLE III—THE INDIVIDUAL AND THE SELECTIVE SERVICE SYSTEM

TITLE IV—MISCELLANEOUS

SHORT TITLE

SEC. 101. This Act may be cited as the "Selective Service Act."

FINDINGS AND DECLARATION OF PURPOSE

SEC. 102. (a) The Congress finds that the maintenance of an adequate armed force is essential to the security of the United States.

(b) The Congress further finds that so long as all eligible persons are not required to serve in the Armed Forces, those who are required to serve should be selected under a system which is fair, just, and adequate to meet the needs of the national defense and at the same time consistent with the enhancement of an effective national economy.

(c) The Congress further finds that the military manpower needs of the Nation should be met to as high a degree as practicable by reliance upon voluntary accessions to military duty.

(d) The Congress further finds that civilian personnel shall be used wherever practical in noncombat positions within the military establishment, and that women should be encouraged to serve both in the Armed Forces and in civilian positions in support of such forces.

(e) It is, therefore, the purpose of this Act to establish procedures for the fair and equitable selection of qualified young men to meet the continuing military manpower needs of the Nation.

DEFINITIONS

SEC. 103. When used in this title—

(a) The term "between the ages of eighteen and twenty-six" shall refer to men who have attained the eighteenth anniversary of the day of their birth and who have not attained the twenty-sixth anniversary of the day of their birth; and other terms designating different age groups shall be construed in a similar manner.

(b) The term "United States", when used in a geographical sense, means the several States, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam.

(c) The term "Armed Forces" includes the Army, the Navy, the Marine Corps, the Air Force, and the Coast Guard.

(d) The term "district court of the United States" includes the courts of the United States for the territories and possessions of the United States.

(e) The term "Director" means the Director of the Selective Service System.

(f) (1) The term "duly ordained minister of religion" means a person who has been ordained, in accordance with the ceremonial ritual, or discipline of a church, religious sect, or organization established on the basis of a community of faith and belief, doctrines and practices of a religious character, to preach and to teach the doctrines of such church, sect, or organization and to administer the rites and ceremonies thereof in public worship, and who as his regular and customary vocation preaches and teaches the principles of religion and administers the ordinances of public worship as embodied in the creed or principles of such church, sect, or organization.

(2) The term "regular minister of religion" means one who as his customary vocation preaches and teaches the principles of religion of a church, a religious sect, or organization of which he is a member, without having been formally ordained as a minister of religion, and who is recognized by such church, sect, or organization as a regular minister.

(3) The term "regular or duly ordained minister of religion" does not include a person who irregularly or incidentally preaches and teaches the principles of religion of a church, religious sect, or organization and does not include any person who may have been duly ordained a minister in accordance with the ceremonial, rite, or discipline of a church, religious sect, or organization, but who does not regularly, as a vocation, teach and preach the principles of religion and administer the ordinances of public worship, as embodied in the creed of principles of his church, sect, or organization.

(g) The term "organized unit," when used with respect to a reserve component, means a unit in which the members thereof are required satisfactorily tc participate in scheduled drills and training periods as prescribed by the Secretary of Defense.

(h) The term "reserve component of the Armed Forces" includes, unless the context otherwise requires, the federally recognized National Guard of the United States, the federally recognized Air National Guard of the United States, the Officers' Reserve Corps, the Regular Army Reserve, the Air Force Reserve, the Enlisted Reserve Corps, the Naval Reserve, the Marine Corps Reserve, and the Coast Guard Reserve, and shall include, in addition to the foregoing, the Public Health Service Reserve when serving with the Armed Forces.

SAVING PROVISION

SEC. 104. Nothing in this title shall be deemed to amend any provision of the National Security Act of 1947 (61 Stat. 495).

EFFECTIVE DATE

SEC. 105. This title shall become effective immediately; except that unless the President, or the Congress by concurrent resolution, declares a national emergency after the date of enactment of this Act, no person shall be inducted or ordered into active service without his consent under this title within ninety days after the date of its enactment.

TITLE II—SELECTIVE SERVICE SYSTEM

Organization

SEC. 201. (a) (1) There is hereby established in the executive branch of the Government an agency to be known as the Selective Service System, and a Director of Selective Service who shall be the head thereof.

(2) The Selective Service System shall be composed of (A) the National Selective Service System Office, to be located in Washington, District of Columbia; (B) eight regional headquarters distributed throughout the United States; and (C) such area offices, ap-

peal boards, and other agencies as are hereafter provided.

(3) The Director shall be appointed by the President for a term of six years, with the advice and consent of the Senate.

(4) The Selective Service System shall, to the maximum extent practicable, utilize automatic data processing equipment in carrying out the provisions of this title.

(5) The functions of the Office of Selective Service Records (established by the Act of March 31, 1947) and of the Director of the Office of Selective Service Records are hereby transferred to the Selective Service System and the Director of Selective Service, respectively. The personnel, property, records, and unexpected balances (available or to be made available) of appropriations, allocations, and other funds of the Office of Selective Service Records are hereby transferred to the Selective Service System. The Office of Selective Service Records shall cease to exist upon the taking of effect of the provisions of this title: *Provided*, That, effective upon the termination of this title and notwithstanding such termination in other respects, (A) the said Office of Selective Service Records is hereby reestablished on the same basis and with the same functions as obtained prior to the effective date of this title, (B) said reestablished Office shall be responsible for liquidating any other outstanding affairs of the Selective Service System, and (C) the personnel, property, records, and unexpended balances (available or to be made available) of appropriations, allocations, and other funds of the Selective Service System shall be transferred to such reestablished Office of Selective Service Records.

(b) The President is authorized—

(1) to prescribe the necessary rules and regulations to carry out the provisions of this title;

(2) to appoint a regional director for the Selective Service System for each regional headquarters, who shall be in immediate charge of the regional headquarters; to employ such number of civilians, and upon declaration by the President of a state of national emergency to order to active duty with their consent and to assign to the Selective Service System such officials of the selective service section of the various State headquarters and headquarters detachments and such other officials of the federally recognized National Guard of the United States and other Armed Forces personnel (including personnel of the Reserve components thereof), as may be necessary for the administration of the national and of the several regional headquarters and area offices of the Selective Service System;

(3) to create and establish one or more area offices in each State with an area of jurisdiction to be established by the Director of the Selective Service on a population basis. Each area office shall consist of a civilian area director, assisted by appropriate civilian staff. Each area director shall have the power within the respective jurisdiction of such an area office to hear and determine, in strict conformity with the rules and regulations prescribed by the President, and subject to a right of appeal to the local board and from the local board to the appeal boards herein authorized, all questions or claims with respect to inclusion for, or examination or deferment from training and service under this title, of all individuals within the jurisdiction of such area offices, together with such other duties as may be assigned under this title; and

(4) to create and establish within the Selective Service System civilian local boards as well as such other civilian agencies of appeal, as may be necessary to carry out its functions. Each local board shall function in conjunction with an area office as provided in section 24(b)(3) of this title and shall consist of three or more members. The local board shall, under rules and regulations prescribed by the President, and under appropriate precedents have the power within the jurisdiction of such area office to hear and determine appeals from the decisions of an area director subject to the right of further appeal to the appeal boards herein authorized and all other questions relating to inclusion for, or exemption or deferment from, training and service arising under this title. There shall be not less than one appeal board, together with such additional separate panels thereof as may be prescribed by the President, located within the area of each regional headquarters of the Selective Service System. Appeal boards within the Selective Service System shall be composed of civilians who are citizens of the United States and who are not members of the Armed Forces. The decision of such appeal boards shall be final in cases before them on appeal unless modified or changed by the President.

(c) No citizen shall be denied membership in any component of the Selective Service System established pursuant to this section on account of race, color, creed, or sex. Composition of the membership on local and appeal boards shall represent, as far as practicable, all elements of the public which the board serves. No citizen shall serve on any such component for more than twenty-five years, or after he has attained the age of sixty-five years.

(d) No person who is a civilian officer, member, agent, or employee of the Office of Selective Service Records, or the Selective Service System, or of any local board or appeal board or other agency of such Office or System, shall be excepted from registration or deferred or exempted from training and service, as provided for in this title, by reason of his status as such civilian officer, member, agent, or employee.

(e) The President is authorized—

(1) to appoint pursuant to the provisions of title 5, United States Code, and to classify and pay pursuant to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, such officers, agents, and employees as he may deem necessary to carry out the provisions of this title: *Provided*, That their compensation may be fixed without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title: *Provided further*, That any officer on the active or retired list of the Armed Forces, or any reserve component thereof with his consent, or any officer or employee of any department or agency of the United States who may be assigned or detailed to any office or position to carry out the provisions of this title may serve in and perform the functions of such office or position without loss of or prejudice to his status as such officer in the Armed Forces or reserve component thereof, or as such officer or employee in any department or agency of the United States.

(2) to utilize the services of any or all departments and any and all officers or agents of the United States, and to accept the services of all officers and agents of the several States, territories, and possessions, and subdivisions thereof, and the District of Columbia, and of private welfare organizations, in the execution of this title;

(3) to purchase such printing, binding, and blankbook work from public, commercial, or private printing establishments or binderies upon orders placed by the Public Printer or upon waivers issued in accordance with section 12 of the Printing Act approved January 12, 1895, as amended, and to obtain by purchase, loan, or gift such equipment and supplies for the Selective Service System, as he may deem necessary to carry out the provisions of this title, with or without advertising or formal contract;

(4) to prescribe eligibility, rules, and regulations governing the parole for service in the Armed Forces, or for any other special service established pursuant to this title, or any person convicted of a violation of any of the provisions of this title;

(5) subject to the availability of funds appropriated for such purpose, to procure such space as he may deem necessary to carry out the provisions of this title and Public Law 26, Eightieth Congress, approved March 31, 1947, by lease pursuant to existing statutes, except that the provisions of the Act of June 30, 1932 (47 Stat. 412), as amended by section 15 of the Act of March 3, 1933 (47 Stat. 1517; 40 U.S.C. 278a), shall not apply to any lease entered into under the authority of this title;

(6) subject to the availability of funds appropriated for such purposes, to determine the location of such additional temporary installations as he may deem essential; to utilize and enlarge such existing installations; to construct, install, and equip, and to complete the construction, installation, and equipment of such buildings, structures, utilities, and appurtenances (including the necessary grading and removal, repair or remodeling of existing structures and installations), as may be necessary to carry out the provisions of this title; and, in order to accomplish the purpose of this title, to acquire lands, and rights pertaining thereto, or other interests therein, for temporary use thereof, by donation or lease, and to prosecute construction thereon prior to the approval of the title by the Attorney General as required by section 355, Revised Statutes, as amended;

(7) subject to the availability of funds appropriated for such purposes, to utilize, in order to provide and furnish such services as may be deemed necessary or expedient to accomplish the purposes of this title, such personnel of the Armed Forces and of reserve components thereof with their consent, and such civilian personnel, as may be necessary. For the purposes of this title, the provisions of section 14 of the Federal Employees' Pay Act of 1946 (Public Law 390, Seventy-ninth Congress) with respect to the maximum limitations as to the number of civilian employees shall not be applicable to the Department of the Army, the Department of the Navy, or the Department of the Air Force.

(8) to delegate any authority vested in him under this title, and to provide for the subdelegation of any such authority.

(f) In the administration of this title, gifts of supplies, equipment, and voluntary services may be accepted.

(g) The Chief of Finance, United States Army, is authorized to act as the fiscal, disbursing, and accounting agent of the Director in carrying out the provisions of this title.

(h) The Director is authorized to make final settlement of individual claims, for amounts not exceeding $50, for travel and other expenses of uncompensated personnel of the Office of Selective Service Records, or the Selective Service System, incurred while in the performance of official duties, without regard to other provisions of law governing the travel of civilian employees of the Federal Government.

(i) The Director of Selective Service shall submit to the Congress semiannually a written report covering the operation of the Selective Service System and such report shall include, by States, information as to the number of persons registered under this Act; the number of persons inducted into the military service under this Act; the number of deferments granted under this Act and the basis for such deferments; and such other specific kinds of information as the Congress may from time to time request.

EMERGENCY MEDICAL CARE

SEC. 202. Under such rules and regulations as may be prescribed by the President, funds available to carry out the provisions of this title shall also be available for the payment of actual and reasonable

expenses of emergency medical care, including hospitalization, of registrants who suffer illness or injury, and the transportation, and burial, of the remains of registrants who suffer death, while acting under orders issued under the provisions of this title, but such burial expenses shall not exceed an amount to be determined by the President.

PENALTIES

SEC. 203. (a) Any member of the Selective Service System or any other person charged as herein provided with the duty of carrying out any of the provisions of this title, or the rules or regulations made or directions given thereunder, who shall knowingly fail or neglect to perform such duty, and any person charged with such duty, or having and exercising any authority under said title, rules, regulations, or directions who shall knowingly make, or be a party to the making, of any false, improper, or incorrect registration, classification, physical or mental examination, deferment, induction, enrollment, or muster, and any person who shall knowingly make, or be a party to the making of, any false statement or certificate regarding or bearing upon a classification or in support of any request for a particular classification, for service under the provisions of this title, or rules, regulations, or directions made pursuant thereto, or who otherwise evades or refuses registration or service in the Armed Forces or any of the requirements of this title, or who knowingly counsels, aids, or abets another to refuse or evade registration or service in the Armed Forces or any of the requirements of this title, or of said rules, regulations, or directions, or who in any manner shall knowingly fail or neglect or refuse to perform any duty required of him under or in the execution of this title, or rules, regulations, or directions made pursuant to this title, or any person or persons who shall knowingly hinder or interfere or attempt to do so in any way, by force or violence or otherwise, with the administration of this title or the rules or regulations made pursuant thereto, or who conspires to commit any one or more of such offenses, shall, upon conviction in any district court of the United States of competent jurisdiction, be punished by imprisonment for not more than five years or a fine of not more than $10,000, or by both such fine and imprisonment, or if subject to military or naval law may be tried by court martial, and, on conviction, shall suffer such punishment as a court martial may direct. No person shall be tried by court martial in any case arising under this title unless such person has been actually inducted for the training and service prescribed under this title or unless he is subject to trial by court marshal under laws in force prior to the enactment of this title. Precedence shall be given by courts to the trial of cases arising under this title, and such cases shall, upon request of the Attorney General, be advanced on the docket for hearing at the earliest practicable date.

(b) Any person (1) who knowingly transfers or delivers to another, for the purpose of aiding or abetting the making of any false identification or representation, any registration certificate, alien's certificate of nonresidence, or any other certificate issued pursuant to or prescribed by the provisions of this title, or rules or regulations promulgated hereunder; or (2) who, with intent that it be used for any purpose of false identification or representation, has in his possession any such certificate not duly issued to him; or (3) who forges, alters, knowingly destroys, knowingly mutilates, or in any manner changes any such certificate or any notation duly and validly inscribed thereon; or (4) who, with intent that it be used for any purpose of false identification or representation, photographs, prints, or in in any manner makes or executes any engraving, photograph, print, or impression in the likeness of any such certificate, or any colorable imitation thereof; or (5) who has in his possession any certificate purporting to be a certificate issued pursuant to this title, or rules and regulations promulgated hereunder, which he knows to be falsely made, reproduced, forged, counterfeited, or altered; or (6) who knowingly violates or evades any of the provisions of this title or rules and regulations promulgated pursuant thereto relating to the issuance, transfer, or possession of such certificate, shall, upon conviction, be fined not to exceed $10,000 or be imprisoned for not more than five years, or both. Whenever on trial for a violation of this subsection the defendant is shown to have or to have had possession of any certificate not duly issued to him, such possession shall be deemed sufficient evidence to establish an intent to use such certificate for purposes of false identification or representation, unless the defendant explains such possession to the satisfaction of the jury.

NONAPPLICABILITY OF CERTAIN LAWS

SEC. 204. (a) Nothing in section 203, 205, or 207 of title 18 of the United States Code, or in the second sentence of subsection (a) of section 9 of the Act of August 2, 1939 (53 Stat. 1148), entitled "An Act to prevent pernicious political activities", as amended shall be deemed to apply to any person because of his appointment under authority of this title or the regulations made pursuant thereto as an uncompensated official of the Selective Service System, or as an individual to conduct hearings on appeals of persons claiming exemption from combatant or noncombatant training because of conscientious objections, or as a member of the National Selective Service Appeals Board.

(b) All functions performed under this title shall be excluded from the operation of the Administrative Procedure Act (60 Stat. 237) except as to the requirements of section 3 of such Act.

(c) In computing the lump-sum payments made to Air Force Reserve officers under the provisions of section 2 of the Act of June 16, 1936, as amended (U.S.C., title 10, sec. 300a), and to Reserve officers of the Navy or to their beneficiaries under section 12 of the Act of August 4, 1942, as amended (U.S.C., title 34, sec. 850k), no credit shall be allowed for any period of active service performed from the effective date of this title to the date on which this title shall cease to be effective. Each such lump-sum payment shall be prorated for a fractional part of a year of active service in the case of any Reserve officer subject to the provisions of either such section, if such Reserve officer performs continuous active service for one or more years (inclusive of such service performed during the period in which this title is effective) and such active service includes a fractional part of a year immediately prior to the effective date of this title, or immediately following the date on which this title shall cease to be effective, or both.

SELECTION

SEC. 205. (a) The selection of persons for training and service shall be made in a fair and impartial manner from the persons who are liable for such training and service and who at the time of selection are registered and classified, but not deferred or exempted.

(b) The order of induction of registrants found qualified for induction shall be determined as follows:

(1) Selection of persons for induction to meet the military manpower needs shall be made from persons in the prime selection group, after the selection of delinquents and volunteers.

(2) The term "prime selection groups" means persons who are liable for training and service under this title, and who at the time of selection are registered and classified and are—

(A) nineteen years of age and not deferred or exempted;

(B) between nineteen and thirty-five years of age and, on or after the effective date of the Selective Service Act of 1969, were in a deferred status but are no longer in such status; or

(C) between twenty or twenty-six years of age on the effective date of the Selective Service Act of 1969 and are not deferred or exempted.

(3) A person shall remain in the prime selection group for a period of twelve months, unless inducted into the Armed Forces during such period. Any person in a deferred status upon reaching the age of nineteen shall, upon the termination of such deferred status, and if qualified, be liable for twelve months for induction as a registrant within the prime selection group irrespective of his actual age, unless he is otherwise deferred. Any person removed from the prime selection group because of a deferment shall again be placed in the prime selection group, if he otherwise qualifies, whenever such deferment is terminated. But no person shall remain in the prime selection group for any period or periods totaling more than twelve months.

(4) On the effective date of the Selective Service Act of 1969, any person who comes within the provisions of clause (B) or (C) of paragraph (3) of this subsection shall be placed in the prime selection group as follows:

(A) A person who has attained the twenty-fourth anniversary of the date of his birth prior to such effective date shall be placed in the prime selection group during the first twelve-month period following such effective date.

(B) A person between twenty-two and twenty-four years of age on such effective date shall be placed in the prime selection group during the second twelve-month period following such effective date.

(C) A person between twenty and twenty-two years of age on such effective date shall be placed in the prime selection group during the third twelve-month period following such effective date.

(5) The order of call for induction from among those persons in the prime selection group shall be determined as follows:

Under such rules and regulations as the President shall prescribe—

(A) the Selective Service System shall from time to time publish, for each month in the year, a list of numbers randomly arranged, corresponding to the number of days in such month;

(B) those persons first called from the prime selection group for the particular month will be those whose day of birth is the same as the first number on the list; those next called will be those whose day of birth is the second number on the list; and this procedure shall be followed until the particular month's quota is met;

(C) the Selective Service System shall also from time to time publish a list of the letters of the alphabet randomly arranged. In the event that the procedure described in clause (B) just above does not serve to distinguish clearly an order of call as between two or more persons, then reference shall be made to the list of letters and the first letter of the last names of such persons to determine such an order of call; and

(D) the determination of order of call may be made upon a national, regional, or local or other basis, as the President shall determine.

(c) Nothing herein shall be construed to prohibit the President, under such rules and regulations as he may prescribe, from establishing a separate and distinct selection system for persons found by him to have special skills essential to the national defense.

(d) There shall be no discrimination against any person on account of race, color, or creed in the selection of persons for training and service under this title or in the

interpretation and execution of any provision of this title.

(e) No order for induction shall be issued under this title to any person who has not attained the age of nineteen years unless the President finds that such action is in the national interest.

(f) Notwithstanding any other provision of law, except section 314 of the Immigration and Nationality Act (8 U.S.C. 1425), no person who is qualified in a needed medical, dental, or allied specialist category, and who is liable for induction under section 4 of this title, shall be held to be ineligible for appointment as a commissioned officer of an armed force of the United States on the sole ground that he is not a citizen of the United States or has not made a declaration of intent to become a citizen thereof, and any such person who is not a citizen of the United States and who is appointed as a commissioned officer may, in lieu of the oath prescribed by section 1331 of title 5, United States Code, take such oath of service and obedience as the Secretary of Defense may prescribe.

(g) For the purposes of regulations issued under this Act, a delinquent is a person who is required to be registered under this Act and who fails to perform or who violates any duty, with respect to his own status, required of him under the provisions of this Act and the regulations issued thereunder.

AUTHORITY TO ORDER RESERVE COMPONENTS TO ACTIVE FEDERAL SERVICE

SEC. 206. Until July 1, 1953, and subject to the limitations imposed by section 2 of the Selective Service Act of 1948, as amended, the President shall be authorized to order into the active military or naval service of the United States for a period of not to exceed twenty-four consecutive months, with or without their consent, any or all members and units of any or all Reserve components of the Armed Forces of the United States and retired personnel of the Regular Armed Forces. Unless he is sooner released under regulations prescribed by the Secretary of the military department concerned, any member of the Inactive or Volunteer Reserve who served on active duty for a period of twelve months or more in any branch of the Armed Forces between the period December 7, 1941, and September 2, 1945, inclusive, who is now or may hereafter be ordered to active duty pursuant to this section, shall upon completion of seventeen or more months of active duty since June 25, 1950, if he makes application therefor to the Secretary of the branch of service in which he is serving, be released from active duty and shall not thereafter be ordered to active duty for periods in excess of thirty days without his consent except in time of war or national emergency hereafter declared by the Congress: *Provided,* That the foregoing shall not apply to any member of the Inactive or Volunteer Reserve ordered to active duty whose rating or specialty is found by the Secretary of the military department concerned to be critical and whose release to inactive duty prior to the period for which he was ordered to active duty would impair the efficiency of the military department concerned.

The President may retain the unit organizations and the equipment thereof, exclusive of the individual members thereof, in the active Federal service for a total period of five consecutive years, and upon being relieved by the appropriate Secretary from active Federal service, National Guard, or Air National Guard units, shall, insofar as practicable, be returned to their National Guard or Air National Guard status in their respective States, territories, the District of Columbia, and Puerto Rico, with pertinent records, colors, histories, trophies, and other historical impediments.

TITLE III—THE INDIVIDUAL AND THE SELECTIVE SERVICE SYSTEM

REGISTRATION

SEC. 301. (a) It shall be the duty of every male citizen of the United States, and of every male alien in the United States in the status of an alien admitted for permanent residence, upon attaining the eighteenth anniversary of his date of birth to register with the Selective Service System in accordance with such rules and regulations as may be prescribed by the President. Any male alien in the United States in the status of an alien admitted for permanent residence who has not heretofore registered with the Selective Service System shall be required to do so within six months after the date of enactment of the Selective Service Act of 1969.

(b) It shall be the duty of every registrant to keep the Selective Service System informed as to his current address and changes in status according to the terms of such rules and regulations as the President may prescribe.

CLASSIFICATION, TRAINING, AND SERVICE

SEC. 302. (a) Except as otherwise provided in this title, every person registered under the provisions of section 3 of this title who is between the ages of eighteen years and six months and twenty-six years shall be liable for training and service in the Armed Forces of the United States.

(b) Each registrant shall be liable immediately for classification and examination, and shall, as soon as practicable following his registration, be examined physically and mentally in order to determine his suitability for induction for training and service in the Armed Forces. Each registrant shall be classified on the basis of such examination to indicate his availability for induction for training and service in the Armed Forces.

(c) Notwithstanding any other provision of law, any registrant who has failed or refused to report for a physical and mental examination in order to determine his suitability for induction for training and service in the Armed Forces, shall continue to remain liable for such examination and induction until relieved of this liability under such condtions as the President shall prescribe.

(d) Any alien admitted for permanent residence shall not be liable for training and service until he has resided in the United States for a total period of one year: *Provided,* That any alien relieved from liability for training and service under an existing treaty shall be permanently ineligible to become a citizen of the United States: *Provided further,* That any alien shall be relieved from liability for training and service under this title if, prior to his inducton, his status is adjusted to that of a nonimmigrant, but any alien who obtains such an adjustment pursuant to section 247(c) of the Immigration and Nationality Act, as amended, shall be permanently ineligible to become a citizen of the United States: *And provided further,* That any alien who has been in the United States as a nonimmigrant and whose status is adjusted to that of a permanent resident, or who is readmitted to the United States as a permanent resident within one year of his departure shall have his liability for training and service extended as if he had been deferred and his liability had been extended under the provisions of this title.

(d) Nothing in this section shall be construed as superseding the provisions of any existing treaties of the United States.

RIGHT TO COUNSEL; RIGHT OF APPEARANCE

SEC. 303. Each registrant shall be afforded the opportunity to appear in person before the area office, regional office, local board, or any other agency of the Selective Service System to present testimony or other evidence regarding his status. Each registrant shall further have the right to be represented before such office, board, or other agency by private counsel. If any registrant is financially unable to provide his own counsel, upon his request such counsel shall be made available without charge, under such rules and regulations as the President may prescribe.

INDUCTION

SEC. 304. (a) The President is authorized to select and induct for training and service in the Armed Forces such number of persons as may be required to provide and maintain the strength of the Armed Forces. This authority shall obtain whether or not a state of war exists, and shall be exercised in the manner provided in this title.

(b) Persons inducted into the Armed Forces for training and service under this title shall be assigned to stations or units of such forces. Persons inducted into the land forces of the United States pursuant to this title shall be deemed to be members of the Army of the United States; persons inducted into the naval forces of the United States pursuant to this title shall be deemed to be members of the United States Navy or the United States Marine Corps or the United States Coast Guard, as appropriate; and persons inducted into the air forces of the United States pursuant to this title shall be deemed to be members of the Air Force of the United States.

(c) Every person inducted into the Armed Forces pursuant to the authority of this section shall, following his induction, be given full and adequate military training for a period of not less than four months, and no such person shall, during this four months period, be assigned for duty at any installation located on land outside the United States, its territories and possessions (including the Canal Zone).

(d) No person in the medical, dental, and allied specialist categories shall be inducted under the provisions of this section if he applies or has applied for an appointment as a Reserve officer in one of the Armed Forces in any of such categories and is or has been rejected for such appointment on the sole ground of a physical disqualification.

(e) No person, without his consent, shall be inducted for training and service in the Armed Forces, except as otherwise provided in this title, after he has attained the twenty-sixth anniversary of the day of his birth.

(f) No person shall be inducted into the Armed Forces for training and service under this title until his acceptability in all respects, including his physical and mental fitness, has been satisfactorily determined under standards prescribed by the Secretary of Defense. The physical and mental standards which a person must meet in order to qualify for induction shall be no lower than those prescribed for persons who voluntarily enlist for service in the Army of the United States.

(g) No person shall be inducted for such training and service until adequate provision shall have been made for such shelter, sanitary facilities, water supplies, heating and lighting arrangements, medical care, and hospital accommodations for such persons as may be determined by the Secretary of Defense (or the Secretary of Transportation with respect to the United States Coast Guard) to be essential to public and personal health.

(h) Notwithstanding any other provision of law, any registrant who has failed or refused to report for induction shall continue to remain liable for induction until relieved of this liability under such conditions as the President shall prescribe.

LENGTH OF SERVICE

SEC. 305 (a) Each person inducted into the Armed Forces under the provisions of this title shall serve on active training and service for a period of twenty-four consecutive months, unless sooner released, transferred, or discharged in accordance with procedures prescribed by the Secretary of Defense (or

the Secretary of Transportation with respect to the United States Coast Guard) or as otherwise prescribed by this title. The Secretaries of the Army, Navy, and Air Force, with the approval of the Secretary of Defense (and the Secretary of Transportation with respect to the United States Coast Guard), may provide, by regulations which shall be as nearly uniform as practicable, for the release from training and service in the Armed Forces prior to serving the periods required by this section of individuals who have volunteered for and are accepted into organized units of the Army National Guard, the Air National Guard, and other reserve components of the Armed Forces.

(b) Each person who hereafter and prior to the enactment of the 1951 Amendments to the Universal Military Training and Service Act is inducted, enlisted, or appointed and serves for a period of less than three years in one of the Armed Forces and meets the qualifications for enlistment or appointment in a reserve component of the armed force in which he serves, shall be transferred to a reserve component of such armed force, and until the expiration of a period of five years after such transfer, or until he is discharged from such reserve component, whichever occurs first, shall be deemed to be a member of such reserve component and shall be subject to such additional training and service as may now or hereafter be prescribed by law for such reserve component: *Provided,* That any such person who completes at least twenty-one months of service in the Armed Forces and who thereafter serves satisfactorily (1) on active duty in the Armed Forces under a voluntary extension for a period of at least one year, which extension is hereby authorized, or (2) in an organized unit of any reserve component of any of the Armed Forces for a period of at least thirty-six consecutive months, shall, except in time of war or national emergency declared by the Congress, be relieved from any further liability under this subsection to serve in any reserve component of the Armed Forces of the United States, but nothing in this subsection shall be construed to prevent any such person, while in a reserve component of such forces, from being ordered or called to active duty in such forces.

ENLISTMENT

SEC. 306. (a) Any person between the ages of eighteen years and six months and twenty-six years shall be offered an opportunity to enlist in the Regular Army for a period of service equal to that prescribed in this title: *Provided,* That, notwithstanding the provisions of this or any other Act, any person so enlisting shall not have his enlistment extended without his consent until after a declaration of war or national emergency by the Congress after the date of enactment of the Selective Service Act of 1969.

(b) Any enlisted member of any reserve component of the Armed Forces may, during the effective period of this title, apply for a period of service equal to that prescribed in section 6 of this title, and his application shall be accepted if his services can be effectively utilized and his physical and mental fitness for such service meet the standards prescribed by the head of the department concerned. Active service performed pursuant to this section shall not prejudice the status of any such as a member of a reserve component. Any person who was a member of a reserve component on June 25, 1950, and who thereafter continued to serve satisfactorily in such reserve component, shall, if his application for active duty made pursuant to this paragraph is denied, be deferred from induction under this title until such time as he is ordered to active duty or ceases to serve satisfactorily in such reserve component.

(c) Any person between the ages of eighteen years and six months and twenty-six years shall be afforded an opportunity to volunteer for induction into the Armed Forces of the United States for the training and service prescribed in section 5, but any person who so volunteers shall be inducted for such training and service so long as he is deferred after classification, only as prescribed by the President.

(d) Any person after attaining the age of seventeen shall, with the written consent of his parents or guardian, be afforded an opportunity to volunteer for induction into the Armed Forces of the United States for the training and service prescribed in section 5.

PAY AND ALLOWANCES

SEC. 307. (a) With respect to the persons inducted for training and service under this title, there shall be paid, allowed, and extended the same pay, allowances, pensions, disability and death compensation, and other benefits as are provided by law in the case of other enlisted men of like grades and length of service of that component of the Armed Forces to which they are assigned. Section 3 of the Act of July 25, 1947 (Public Law 239, Eightieth Congress), is hereby amended by deleting therefrom the following: "Act of March 7, 1942 (56 Stat. 143–148, ch. 166), as amended". The Act of March 7, 1942 (56 Stat. 143–148), as amended, as hereby made applicable to persons inducted into the Armed Forces pursuant to this title.

(b) Notwithstanding any other provision of law, any person who is inducted into the Armed Forces under this Act and who before being inducted, was receiving compensation from any person may, while serving under that induction, receive compensation from that person.

DECREASE IN PERIOD OF SERVICE

SEC. 308. (a) Upon a finding by him that such action is justified by the strength of the Armed Forces in the light of national and international conditions, the President, upon recommendations of the Secretary of Defense, is authorized by Executive order, which shall be uniform in its application to all persons inducted under this title but which may vary as to age groups, to provide for (1) decreasing periods of service under this title but in no case to a lesser period of time than can be economically utilized, or (2) eliminating periods of service required under this title.

MEDICAL AND DENTAL OFFICERS

SEC. 309. (a) The President may order to active duty (other than for training), as defined in section 101(22) of title 10, United States Code, for a period of not more than twenty-four consecutive months, with or without his consent, any member of a reserve component of the Armed Forces of the United States who is in a medical, dental, or allied specialist category, who has not attained the thirty-fifth anniversary of the date of his birth, and has not performed at least one year of active duty (other than for training). This subsection does not affect or limit the authority to order members of the reserve components to active duty contained in section 672 of title 10, United States Code.

(b) For the purposes of computation of the periods of active duty (other than for training) referred to in subsection (1), credit shall be given to all periods of one day or more performed under competent orders, except that no credit shall be allowed for periods spent in student programs prior to receipt of the appropriate professional degree or in intern training.

(c) Any person who is called or ordered to active duty (other than for training) from a reserve component of the Armed Forces of the United States after September 5, 1950, and thereafter serves on active duty (other than for training) as a medical, dental, or allied specialist for a period of twelve months or more shall, upon release from active duty or within six months thereafter, be afforded an opportunity to resign his commission from the reserve component of which he is a member unless he is otherwise obligated to serve on active military training and service in the Armed Forces or in training in a reserve component by law or contract.

(d) Any physician or dentist who meets the qualifications for a Reserve commission in the respective military department shall, so long as there is a need for the services of such a physician or dentist, be afforded an opportunity to volunteer for a period of active duty (other than for training) of not less than twenty-four months. Any physician or dentist who so volunteers his service, and meets the qualifications for a Reserve commission shall be ordered to active duty (other than for training) for not less than twenty-four months, notwithstanding the grade or rank to which such physician or dentist is entitled.

(e) Notwithstanding any other provision of law, any qualified person who—

(1) is liable for induction; or

(2) as a member of a reserve component is ordered to active duty,

as a physician, or dentist, or in an allied specialist category in the Armed Forces of the United States, shall, under regulations prescribed by the President, be appointed, reappointed, or promoted to such grade or rank as may be commensurate with his professional education, experience, or ability: *Provided,* That any person in a needed medical, dental, or allied specialist category who fails to qualify for, or who does not accept, a commission, or whose commission has been terminated, may be used in his professional capacity in an enlisted grade.

EXEMPTIONS FROM REGISTRATION, TRAINING, AND SERVICE

SEC. 310. (a) Foreign diplomatic representatives, technical attachés of foreign embassies and legations, consuls general, consuls, vice consuls, and other consular agents of foreign countries who are not citizens of the United States, and members of their families, shall not be required to be registered under section 3 and shall be relieved from liability for training and service under section 4.

(b) Any person who subsequent to June 24, 1948, serves on active duty for a period of not less than twelve months in the armed forces of a nation with which the United States is associated in mutual defense activities as defined by the President, may be exempted from training and service, but not from registration, in accordance with regulations prescribed by the President, except that no such exemption shall be granted to any person who is a national of a country which does not grant reciprocal privileges to citizens of the United States: *Provided,* That any active duty performed prior to June 24, 1948, by a person in the armed forces of a country allied with the United States during World War II and with which the United States is associated in such mutual defense activities, shall be credited in the computation of such twelve-month period: *Provided further,* That any person who is in a medical, dental, or allied specialist category not otherwise deferred or exempted under this subsection shall be liable for registration and training and service until the thirty-fifth anniversary of the date of his birth.

(c) Commissioned officers of the Public Health Service and members of the reserve of the Public Health Service while on active duty and assigned to staff the various offices and bureaus of the Public Health Service including the National Institutes of Health, or assigned to any endeavor which the President determines is necessary to the maintenance of the national health, safety, or interest shall be exempted from training and service, but not from registration.

VETERANS' EXEMPTIONS

SEC. 311. (a) No person who served honorably on active duty between September 16, 1940, and the date of enactment of this title for a period of twelve months or more, or be-

tween December 7, 1941, and September 2, 1945, for a period in excess of ninety days, in the Army, the Air Force, the Navy, the Marine Corps, the Coast Guard, the Public Health Service, or the armed forces of any country allied with the United States in World War II prior to September 2, 1945, shall be liable for induction for training and service under this title, except after a declaration of war or national emergency made by the Congress subsequent to the date of enactment of this title.

(b) No person who served honorably on active duty between September 1, 1940, and the date of enactment of this title for a period of ninety days or more but less than twelve months in the Army, the Air Force, the Navy, the Marine Corps, the Coast Guard, the Public Health Service, or the armed forces of any country allied with the United States in World War II prior to September 2, 1945, shall be liable for induction for training and service under this title, except after a declaration of war or national emergency made by the Congress subsequent to the date of enactment of this title, if—

(1) the local board determines that he is regularly enlisted or commissioned in any organized unit of a reserve component of the armed force in which he served, provided such unit is reasonably accessible to such person without unduly interrupting his normal pursuits and activities (including attendance at a college or university in which he is regularly enrolled), or in a reserve component (other than in an organized unit) of such armed force in any case in which enlistment or commission in an organized unit of a reserve component of such armed force is not available to him; or

(2) the local board determines that enlistment or commission in a reserve component of such armed force is not available to him or that he has voluntarily enlisted or accepted appointment in an organized unit of a reserve component of an armed force other than the armed force in which he served.

Nothing in this paragraph shall be deemed to be applicable to any person to whom subsection (a) of this section is applicable.

(c) Notwithstanding any other provision of this Act, no person who (1) has served honorably on active duty after September 16, 1940, for a period of not less than one year in the Army, the Air Force, the Navy, the Marine Corps, or the Coast Guard, or (2) subsequent to September 16, 1940, was discharged for the convenience of the Government after having served honorably on active duty for a period of not less than six months in the Army, the Air Force, the Navy, the Marine Corps, or the Coast Guard, or (3) has served for a period of not less than twenty-four months (A) as a commissioned officer in the Public Health Service or (B) as a commissioned officer in the Environmental Science Services Administration (previously the Coast and Geodetic Survey), shall be liable for induction for training and service under this Act, except after a declaration of war, or national emergency made by the Congress subsequent to the date of enactment of this Act.

(d) No person who is honorably discharged upon the completion of an enlistment pursuant to section 7 shall be liable for induction for training and service under this title, except after a declaration of war or national emergency made by the Congress subsequent to the date of enactment of this Act.

(e) For the purposes of computation of the periods of active duty referred to in paragraphs (a), (b), or (c) of this subsection, no credit shall be allowed for—

(1) periods of active duty training performed as a member of a reserve component pursuant to an order or call to active duty solely for training purposes;

(2) periods of active duty in which the service consisted solely of training under the Army specialized training program, the Army Air Force college training program, or any similar program under the jurisdiction of the Navy, Marine Corps, or Coast Guard;

(3) periods of active duty as a cadet at the United States Military Academy or United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in preparatory school after nomination as a principal, alternate, or candidate for admission to any of such academies;

(4) periods of active duty in any of the Armed Forces while being processed for entry into or separation from any educational program or institution referred to in paragraphs (2) or (3); or

(5) periods of active duty performed by medical, dental, or allied specialists in student programs prior to receipt of the appropriate professional degree or in intern training.

RESERVE COMPONENT'S EXEMPTIONS

SEC. 312. (a) Persons who, on February 1, 1951, were members of organized units of the federally recognized National Guard, the federally recognized Air National Guard, the Officers' Reserve Corps, the Regular Army Reserve, the Air Force Reserve, the Enlisted Reserve Corps, the Naval Reserve, the Marine Corps Reserve, the Coast Guard Reserve, or the Public Health Service Reserve, shall, so long as they continue to be such members and satisfactorily participate in scheduled drills and training periods as prescribed by the Secretary of Defense, be exempt from training and service by induction under the provisions of this title, but shall not be exempt from registration.

(b)(1) Any person, other than a person referred to in subsection (d) of this section, who—

(A) prior to the issuance of orders for him to report for induction; or

(B) prior to the date scheduled for his induction and pursuant to a proclamation by the Governor of a State to the effect that the authorized strength of any organized unit of the National Guard of that State cannot be maintained by the enlistment or appointment of persons who have not been issued orders to report for induction under this title; or

(C) prior to the date scheduled for his induction and pursuant to a determination by the President that the strength of the Ready Reserve of the Army Reserve, Naval Reserve, Marine Corps Reserve, Air Force Reserve, or Coast Guard Reserve cannot be maintained by the enlistment or appointment of persons who have not been issued orders to report for induction, under this title;

enlists or accepts appointment, before attaining the age of twenty-six years, in the Ready Reserve of any reserve component of the Armed Forces, the Army National Guard, or the Air National Guard, shall be deferred from training and service under this title so long as he serves satisfactorily as a member of an organized unit of such Reserve or National Guard in accordance with section 270 of title 10 or section 502 of title 32, United States Code, as the case may be, or satisfactorily performs such other Ready Reserve service as may be prescribed by the Secretary of Defense. Notwithstanding the provisions of section 16, no person deferred under this paragraph who has completed six years of such satisfactory service as a member of the Ready Reserve or National Guard, and who during such service has performed active duty for training with an armed force for not less than four consecutive months, shall be liable for induction for training and service under this Act, except after a declaration of war or national emergency made by the Congress after August 9, 1955. In no event shall the number of enlistments or appointments made under authority of this paragraph in any fiscal year in any reserve component of the Armed Forces or in the Army National Guard or the Air National Guard cause the personnel strength of such reserve component or the Army National Guard or the Air National Guard, as the case may be, to exceed the personnel strength for which funds have been made available by the Congress for such fiscal year.

(2) A person who, under the provision of law, is exempt or deferred from training and service under this Act by reason of membership in a reserve component, the Army National Guard, or the Air National Guard, as the case may be, shall, if he becomes a member of another reserve component, the Army National Guard, or the Air National Guard, as the case may be, continue to be exempt or deferred to the same extent as if he had not become a member of another reserve component, the Army National Guard, or the Air National Guard, as the case may be, so long as he continues to serve satisfactorily.

(3) Except as provided in section 13 and the provisions of this section, no person who becomes a member of a reserve component after February 1, 1951, shall thereby be exempt from registration or training and service by induction under the provisions of this Act.

(4) Notwithstanding any other provision of this Act, the President, under such rules and regulations as he may prescribe, may provide that any person enlisted or appointed after October 4, 1961, in the Ready Reserve of any reserve component of the Armed Forces (other than under section 511(b) of title 10, United States Code, the Army National Guard, or the Air National Guard, prior to attaining the age of twenty-six years, or any person enlisted or appointed in the Army National Guard or the Air National Guard or enlisted in the Ready Reserve of any reserve component prior to attaining the age of eighteen years and six months and deferred under the prior provisions of this paragraph as amended by the Act of October 4, 1961, Public Law 87–378 (75 Stat. 807), or under section 262 of the Armed Forces Reserve Act of 1952, as amended, who fails to serve satisfactorily during his obligated period of service as a member of such Ready Reserve or National Guard or the Ready Reserve of another reserve component or the National Guard of which he becomes a member, may be selected for training and service and inducted into the armed force of which such reserve component is a part, prior to the selection and induction of other persons liable therefor.

OFFICERS' TRAINING; OFFICIALS; MINISTERS OF RELIGION

SEC. 313. (a)(1) Within such numbers as may be prescribed by the Secretary of Defense, any person who (A) has been or may hereafter be selected for enrollment or continuance in the senior division, Reserve Officers' Training Corps, or the Air Reserve Officers' Training Corp, or the Naval Reserve Officers' Training Corps, or the naval and Marine Corps officer candidate training program established by the Act of August 13, 1946 (60 Stat. 1057), as amended, or the Reserve officers' candidate program of the Navy, or the platoon leaders' class of the Marine Corps, or the officer procurement programs of the Coast Guard and the Coast Guard Reserve, or appointed an ensign, United States Naval Reserve, while undergoing professional training; (B) agrees, in writing, to accept a commission, if tendered, and to serve, subject to order of the Secretary of the military department having jurisdiction over him (or the Secretary of Transportation with respect to the United States Coast Guard), not less than two years on active duty after receipt of a commission; and (C) agrees to remain a member of a regular or reserve component until the eighth anniversary of the receipt of a commission in accordance with his obligation under the first sentence of section 4(d)(3) of this Act, or until the sixth anniversary of the receipt of a commission in accordance with his obligation under the

second sentence of section 4(d)(3) of this Act, shall be deferred from induction under this title until after completion or termination of the course of instruction and so long as he continues in a regular or reserve status upon being commissioned, but shall not be exempt from registration. Such persons, except those persons who have previously completed an initial period of military training or an equivalent period of active military training and service, shall be required while enrolled in such program to complete a period of training equal (as determined under regulations approved by the Secretary of Defense or the Secretary of Transportation with respect to the United States Coast Guard) in duration and type of training to an initial period of military training. There shall be added to the obligated active commissioned service of any person who has agreed to perform such obligatory service in return for financial assistance while attending a civilian college under any such training program a period of not to exceed one year. Except as provided in paragraph (5), upon the successful completion by any person of the required course of instruction under any program listed in clause (A) of the first sentence of this paragraph, such person shall be tendered a commission in the appropriate reserve component of the Armed Forces if he is otherwise qualified for such appointment. If, at the time of, or subsequent to, such appointment, the armed force in which such person is commissioned does not require his service on active duty in fulfillment of the obligation undertaken by him in compliance with clause (B) of the first sentence of this paragraph, such person shall be ordered to active duty for training with such armed force in the grade in which he was commissioned for a period of active duty for training of not less than three months or more than six months (not including duty performed under section 270(a) of title 10, United States Code), as determined by the Secretary of the military department concerned to be necessary to qualify such person for a mobilization assignment. Upon being commissioned and assigned to a reserve component, such person shall be required to serve therein, or in a reserve component of any other armed force in which he is later appointed, until the eighth anniversary of the receipt of such commission pursuant to the provisions of this section. So long as such person performs satisfactory service, as determined under regulations prescribed by the Secretary of Defense, he shall be deferred from training and service under the provisions of this Act. If such person fails to perform satisfactory service, and such failure is not excused under regulations prescribed by the Secretary of Defense, his commission may be revoked by the Secretary of the military department concerned.

(2) In addition to the training programs enumerated in paragraph (1) of this subsection, and under such regulations as the Secretary of Defense (or the Secretary of Transportation with respect to the United States Coast Guard) may approve, the Secretaries of the military departments and the Secretary of Transportation are authorized to establish officer candidate programs leading to the commissioning of persons on active duty. Any person heretofore or hereafter enlisted in the Army Reserve, the Naval Reserve, the Marine Corps Reserve, the Air Force Reserve, or the Coast Guard Reserve who thereafter has been or may be commissioned therein upon graduation from an officers' candidate school of such armed force shall, if not ordered to active duty as a commissioned officer, be deferred from training and service under the provisions of this Act so long as he performs satisfactory service as a commissioned officer in an appropriate unit of the Ready Reserve, as determined under regulations prescribed by the Secretary of the department concerned. If such person fails to perform satisfactory service in such unit, and such failure is not excused under such regulations, his commission may be revoked by such Secretary.

(3) Nothing in this subsection shall be deemed to preclude the President from providing, by regulations prescribed under section 16, for the deferment from training and service of any category or categories of students for such periods of time as he may deem appropriate.

(4) It is the sense of the Congress that the President shall provide for the annual deferment from training and service under this title of the numbers of optometry students and premedical, preosteopathic, preveterinary, preoptometry, and predental students at least equal to the numbers of male optometry, premedical, preosteopathic, preveterinary, preoptometry, and predental students at colleges and universities in the United States at the present levels as determined by the Director herein.

(5) Notwithstanding paragraph (1), upon the successful completion by any person of the required course of instruction under any Reserve Officers' Training Corps program listed in clause (A) of the first sentence of paragraph (1) and subject to the approval of the Secretary of the military department having jurisdiction over him, such person may, without being relieved of his obligation under that sentence, be tendered, and accept, a commission in the Environmental Science Services Administration instead of a commission in the appropriate reserve component of the Armed Forces. If he does not serve on active duty as a commissioned officer of the Environmental Science Services Administration for at least six years, he shall upon discharge therefrom, be tendered a commission in the appropriate reserve component of the Armed Forces, if he is otherwise qualified for such appointment, and, in fulfillment of his obligation under the first sentence of paragraph (1), remain a member of a reserve component until the sixth anniversary of the receipt of his commission in the Environmental Science Services Administration. While a member of a reserve component he may, in addition to as otherwise provided by law, be ordered to active duty for such period that, when added to the period he served on active duty as a commissioned officer of the Environmental Science Services Administration, equals two years.

(6) Fully qualified and accepted aviation cadet applicants of the Army, Navy, or Air Force who have signed an agreement of service shall, in such numbers as may be designated by the Secretary of Defense, be deferred, during the period covered by the agreement but not to exceed four months from induction for training and service under this title but shall not be exempt from registration.

(c) The Vice President of the United States; the Governors of the several States, territories, and possessions, and all other officials chosen by the voters of the entire State, territory, or possession; members of the legislative bodies of the United States and of the several States, territories, and possessions; judges of the courts of record of the United States and of the several States, territories, possessions, and the District of Columbia shall, while holding such offices, be deferred from training and service under this title in the Armed Forces of the United States.

(d) Regular or duly ordained ministers of religion, as defined in this title, the students preparing for the ministry under the direction of recognized churches or religious organizations, who are satisfactorily pursuing full-time courses of instruction in recognized theological or divinity schools, or who are satisfactorily pursuing full-time courses of instruction leading to their entrance into recognized theological or divinity schools in which they have preenrolled, shall be exempt from training and service (but not from registration) under this title.

STUDENT AND APPRENTICE DEFERRENTS; CASUALTY RATIO

SEC. 314. (a) Except as otherwise provided in this subsection, the President is authorized, under such rules and regulations as he may prescribe, to provide for the deferment from training and service in the Armed Forces of persons requesting such deferment who are satisfactorily pursuing a course of instruction at a bona fide college, junior college, community college, university, or similar institution of learning, or at a vocational school, or who are enrolled in and satisfactorily pursuing an apprentice training program or similar occupational instruction program. A deferment granted to any person under authority of this subsection shall continue until such person completes the requirements for his baccalaureate degree, completes the training program, fails to pursue satisfactorily his course of instruction, or attains the twenty-fifth anniversary of the date of his birth, whichever first occurs. Deferments provided for under this paragraph shall be restricted or terminated by the President (1) whenever he finds, with respect to persons who have been inducted into the Armed Forces under this title, that the number of such persons killed, wounded, or missing in action as the result of armed conflict during the three-month period immediately preceding his finding exceeds a number equal to 10 per centum of the total number of persons so inducted during such three-month period; or (2) whenever he determines that the needs of the Armed Forces and of national security require such action. Such restrictions or terminations shall be in effect for the twelve calendar months next following the month in which the conditions set out in the preceding sentence are met. Whenever members of the Armed Forces of the United States are engaged in armed conflict in any area of the world, the President shall, for the purposes of clause (1) of the preceding sentence, make a finding not later than the tenth day of each calendar month respecting the number of persons killed, wounded, or missing in action in the three immediately preceding months. No person who has received a deferment under the provisions of this paragraph shall thereafter be granted a further deferment except for extreme hardship to dependents (under regulations governing hardship deferments).

(b) The President is authorized, under such rules and regulations as he may prescribe, to provide for the deferment from training and service in the Armed Forces (1) of any or all categories of persons in a status with respect to persons (other than wives alone, except in cases of extreme hardship) dependent upon them for support which renders their deferment advisable, and (2) of any or all categories of those persons found to be physically, mentally, or morally deficient or defective. For the purpose of determining whether or not the deferment of any person is advisable because of his status with respect to persons dependent upon him for support, any payments of allowances which are payable by the United States to the dependents of persons serving in the Armed Forces of the United States shall be taken into consideration, but the fact that such payments of allowances are payable shall not be deemed conclusively to remove the grounds for deferment when the dependency is based upon financial considerations and shall not be deemed to remove the ground for deferment when the dependency is based upon other than financial considerations and cannot be eliminated by financial assistance to the dependents. Except as otherwise provided in this subsection, the President is also authorized, under such rules and regulations as he may prescribe, to provide for the deferment from training and service in the Armed Forces of any or all

categories of persons who have children, or wives and children, with whom they maintain a bona fide family relationship in their homes. No deferment from such training and service in the Armed Forces shall be made in the case of any individual except upon the basis of the status of such individual. There shall be posted in a conspicuous place in each area office a list setting forth the names and classifications of those persons who have been classified by such area office. Notwithstanding any other provision of this title the President shall establish national standards and criteria for the classification and deferment of persons registered under this title. Such standards and criteria shall be administered uniformly and impartially throughout all levels of the Selective Service System.

(c)(1) Any person who is satisfactorily pursuing a course of instruction at a high school or similar institution of learning shall, upon the facts being presented to the area office, be deferred (A) until the time of his graduation therefrom, or (B) until he attains the twentieth anniversary of his birth, or (C) until he ceases satisfactorily to pursue such course of instruction, whichever is the earliest.

(2) Any person who while satisfactorily pursuing a full-time course of instruction at a college, university, or similar institution is ordered to report for induction under this title, shall, upon the facts being presented to the local board, be deferred (A) until the end of such academic year, or (B) until he ceases satisfactorily to pursue such course of instruction, whichever is the earlier: *Provided*, That any person who has heretofore had his induction postponed under the provisions of section 6(i)(1) of the Selective Service Act of 1948; or any person who has heretofore been deferred as a student under section 6(h) of such Act, or any person who hereafter is deferred under the provision of this subsection, shall not be further deferred by reason of pursuit of a course of instruction at a college, university, or similar institution of learning except as may be provided by regulations prescribed by the President pursuant to the provisions of this section. Nothing in this paragraph shall be deemed to preclude the President from providing, by regulations prescribed in this section, for the deferment from training and service in the Armed Forces of any category or categories of students for such periods of time as he may deem appropriate.

CONSCIENTIOUS OBJECTORS

SEC. 315. (a) Nothing contained in this title shall be construed to require any person to be subject to combatant training and service in the Armed Forces of the United States who, by reason of religious training and belief, conscientiously opposed to participation in war in any form. As used in this section, the term "religious training and belief" does not include essentially political, sociological, or philosophical views, or a merely personal moral code, but it does include a sincere and meaningful belief, which occupies a place in the life of its possessor parallel to that filled by an orthodox belief in God.

(b) Any person claiming exemption from combatant training and service because of such conscientious objections whose claim is sustained by the Selective Service System shall, if he is inducted into the Armed Forces under this title, be assigned to noncombatant service as defined by the President, or shall, if he is found to be conscientiously opposed to participation in such noncombatant service, in lieu of such induction, be ordered by the Selective Service System, subject to such regulations as the President may prescribe, to perform for a period equal to the period prescribed in section 305 such civilian work contributing to the maintenance of the national health, safety, or interest as the Selective Service System pursuant to Presidential regulations may deem appropriate. Any such person who knowingly fails or neglects to obey any such order from the Selective Service System shall be deemed, for the purposes of section 203 of this title, to have knowingly failed or neglected to perform a duty required of him under this title.

(c) Any person claiming exemption from combatant training and service because of such conscientious objections shall, if such claim is not sustained by the area office or local board, be entitled to an appeal to the regional appeal board. Upon the filing of such appeal, the appeal board shall refer any such claim to the Department of Justice for inquiry and hearings. The Department of Justice, after appropriate inquiry, shall hold a hearing with respect to the character and good faith of the objections of the person concerned, and such person shall be notified of the time and place of such hearing. If after such hearings the Department of Justice finds—

(1) that the objections are sustained, it shall make recommendations to the appeal board in accordance with the procedures of subsection (b) of this section; or

(2) that the objections are not sustained, it shall so recommend to the appeal board. The appeal board shall, in making its decision, give consideration to but not be bound to follow the recommendation of the Department of Justice, together with the record on appeal from the local board.

DURATION OF EXEMPTION OR DEFERMENT

SEC. 316. No exception from registration, or exemption or deferment from training and service, under this title, shall continue after the cause therefor ceases to exist.

MINORITY DISCHARGES

SEC. 317. Notwithstanding any other provisions of law, no person between the ages of eighteen and twenty-one shall be discharged from service in the Armed Forces of the United States while this title is in effect because such person entered such service without the consent of his parent or guardian.

MORAL STANDARDS

SEC. 318. No person shall be relieved from training and service under this title by reason of conviction of a criminal offense, except where the offense of which he has been convicted may be punishable by death, or by imprisonment for a term exceeding one year.

SOLE SURVIVING SON

SEC. 319. Except during a period of a war or a national emergency declared by the Congress, if the father or one or more sons or daughters of a family were killed in action or died in the line of duty while serving in the Armed Forces of the United States, or subsequently died as a result of injuries received or disease incurred during such service, the sole surviving son of such family shall not be inducted for service under the terms of this title unless he volunteers for induction.

BOUNTIES; SUBSTITUTES; PURCHASES OF RELEASE

SEC. 320. No bounty may be paid to induce any person to be inducted into an armed force. A clothing allowance authorized by law is not a bounty for the purposes of this section. No person liable for training and service under this Act may furnish a substitute for that training or service. No person may be enlisted, inducted, or appointed in an armed force as a substitute for another. No person liable for training and service under section 4 may escape that training and service or be discharged before the end of his period of training and service by paying money or any other valuable thing as consideration for his release from that training and service or liability therefor.

REEMPLOYMENT

SEC. 321. (a) Any person inducted into the Armed Forces under this title for training and service, who, in the judgment of those in authority over him, satisfactorily completes his period of training and service under section 6 shall be entitled to a certificate to that effect upon the completion of such period of training and service. Such certificate shall include a record of any special proficiency or merit attained. Upon the completion of each such person's period of training and service under this title, each such person shall be given another physical examination and, upon his written request, shall be given a statement of physical condition by the Secretary concerned: *Provided*, That such statement shall not contain any reference to mental or other conditions which in the judgment of the Secretary concerned would prove injurious to the physical or mental health of the person to whom it pertains: *Provided further*, That, if upon completion of training and service under this title, such person continues on active duty without an interruption of more than seventy-two hours as a member of the Armed Forces of the United States, a physical examination upon completion of such training and service shall not be required unless it is requested by such person, or the medical authorities of the armed force concerned determine that the physical examination is warranted.

(b) In the case of any such person who, in order to perform such training and service, has left or leaves a position (other than a temporary position) in the employ of any employer and who (1) receives such certificate, and (2) makes application for reemployment within ninety days after he is relieved from such training and service or from hospitalization continuing after discharge for a period of not more than one year—

(A) if such position was in the employ of the United States Government, its territories, or possessions, or political subdivisions thereof, or the District of Columbia, such person shall—

(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or

(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of the employer, be restored to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case;

(B) if such position was in the employ of a private employer, such person shall—

(i) if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or

(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of such employer or his successor in interest, be restored by such employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case,

unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so;

(C) if such position was in the employ of any State or political subdivision thereof, it is hereby declared to be the sense of the Congress that such person should—

(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or

(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of the employer, be restored to

such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case.

(c)(1) Any person who is restored to a position in accordance with the provisions of paragraph (A) or (B) of subsection (b) shall be considered as having been on furlough or leave of absence during his period of training and service in the Armed Forces, shall be so restored without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces, and shall not be discharged from such position without cause within one year after such restoration.

(2) It is hereby declared to be the sense of the Congress that any person who is restored to a position in accordance with the provisions of paragraph (A) or (B) of subsection (b) should be so restored in such manner as to give him such status in his employment as he would have enjoyed if he had continued in such employment continuously from the time of his entering the Armed Forces until the times of his restoration to such employment.

(d) In case any private employer fails or refuses to comply with the provisions of subsection (b), subsection (c) (1) or subsection (g) the district court of the United States for the district in which such private employer maintains a place of business shall have power, upon the filing of a motion, petition, or other appropriate pleading by the person entitled to the benefits of such provisions, specifically to require such employer to comply with such provisions and to compensate such person for any loss of wages or benefits suffered by reason of such employer's unlawful action: *Provided,* That any such compensation shall be in addition to and shall not be demed to diminish any of the benefits of such provisions. The court shall order speedy hearing in any such case and shall advance it on the calendar. Upon application to the United States attorney or comparable official for the district in which such private employer maintains a place of business, by any person claiming to be entitled to the benefits of such provisions, such United States attorney or official, if reasonably satisfied that the person so applying is entitled to such benefits, shall appear and act as attorney for such person in the amicable adjustment of the claim or in the filing of any motion, petition, or other appropriate pleading and the prosecution thereof specifically to require such employer to comply with such provisions: *Provided,* That no fees or court costs shall be taxed against any person who may apply for such benefits: *Provided further,* That only the employer shall be deemed a necessary party respondent to any such action.

(e)(1) Any person who is entitled to be restored to a position in accordance with the provisions of paragraph (A) of subsection (b) and who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by any territory or possession, or political subdivision thereof, or by the District of Columbia, shall be so restored by such agency or the successor to its functions, or by such territory, possession, political subdivision, or the District of Columbia. In any case in which, upon appeal of any person who was employed immediately before entering the Armed Forces by any agency in the executive branch of the Government or by the District of Columbia, the United States Civil Service Commission finds that—

(A) such agency is no longer in existence and its functions have not been transferred to any other agency; or

(B) for any reason it is not feasible for such person to be restored to employment by such agency or by the District of Columbia,

the Commission shall determine whether or not there is a position in any other agency in the executive branch of the Government or in the government of the District of Columbia for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be restored to such position by the agency in which such position exists or by the government of the District of Columbia, as the case may be. The Commission is authorized and directed to issue regulations giving full force and effect to the provisions of this section insofar as they relate to persons entitled to be restored to positions in the executive branch of the Government or in the government of the District of Columbia, including persons entitled to be restored under the last sentence of paragraph (2) of this subsection. The agencies in the executive branch of the Government and the government of the District of Columbia shall comply with such rules and regulations and orders issued by the Commission pursuant to this subsection. The Commission is authorized and directed whenever it finds, upon appeal of the person concerned, that any agency in the executive branch of the Government or the government of the District of Columbia has failed or refuses to comply with the provisions of this section, to issue an order specifically requiring such agency or the government of the District of Columbia to comply with such provisions and to compensate such person for any loss of salary or wages suffered by reason of failure to comply with such provisions, less any amounts received by him through other employment, unemployment compensation, or readjustment allowances: *Provided,* That any such compensation ordered to be paid by the Commission shall be in addition to and shall not be deemed to diminish any of the benefits of such provisions, and shall be paid by the head of the agency concerned or by the government of the District of Columbia out of appropriations currently available for salary and expenses of such agency or government, and such appropriations shall be available for such purpose. As used in this paragraph, the term "agency in the executive branch of the Government" means any department, independent establishment, agency, or corporation in the executive branch of the United States Government.

(2) Any person who is entitled to be restored to a position in accordance with the provisions of paragraph (A) of subsection (b), and who was employed, immediately before entering the Armed Forces, in the legislative branch of the Government, shall be so restored by the officer who appointed him to the position which he held immediately before entering the Armed Forces. In any case in which it is not possible for any such person to be restored to a position in the legislative branch of the Government and he is otherwise eligible to acquire a status for transfer to a position in the classified (competitive) civil service in accordance with section 2(b) of the Act of November 26, 1940 (54 Stat. 1212), the United States Civil Service Commission shall, upon appeal of such person, determine whether or not there is a position in the executive branch of the Government for which he is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be restored to such position by the agency in which such position exists.

(3) Any person who is entitled to be restored to a position in accordance with the provisions of paragraph (A) of subsection (b) and who was employed, immediately before entering the Armed Forces, in the judicial branch of the Government, shall be so restored by the officer who appointed him to the position which he held immediately before entering the Armed Forces.

(f) In any case which two or more persons who are entitled to be restored to a position under the provisions of this section or any other law relating to similar reemployment benefits left the same position in order to enter the Armed Forces, the person who left such position first shall have the prior right to be restored thereto, without prejudice to the reemployment rights of the other person or persons to be restored.

(g)(1) Any person who after entering the employment to which he claims restoration, enlists in the Armed Forces of the United States (other than a reserve component) shall be entitled upon release from service under honorable conditions to all the reemployment rights and other benefits provided for by this section in the case of persons inducted under the provisions of this title, if the total of his service performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any service, additional or otherwise, performed by him after August 1, 1961, does not exceed four years (plus in each case any period of additional service imposed pursuant to law).

(2) Any persons who, after entering the employment to which he claims restoration, enters upon active duty (other than for the purpose of determining his physical fitness and other than for training), whether or not voluntarily, in the Armed Forces of the United States or the Public Health Service in response to an order or call to active duty shall, upon his relief from active duty under honorable conditions, be entitled to all of the reemployment rights and benefits provided by this section in the case of persons inducted under the provisions of this title, if the total of such active duty performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any such active duty, additional or otherwise, performed after August 1, 1961, does not exceed four years (plus in each case any additional period in which he was unable to obtain orders relieving him from active duty).

(3) Any member of a reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (A) his release from that active duty for training after satisfactory service, or (B) his discharge from hospitalization incident to that active duty for training, or one year after his scheduled release from that training, whichever is earlier, be entitled to all reemploymenf rights and benefits provided by this section for persons inducted under the provisions of this title, except that (A) any person restored to a position in accordance with the provisions of this paragraph shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights granted by this paragraph shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under the provisions of title 5, United States Code, relating to veterans and other preference eligibles.

(4) Any employee not covered by paragraph (3) of this subsection who holds a position described in paragraph (A) or (B) of subsection (b) of this section shall upon request be granted a leave of absence by his employer for the period required to perform active duty for training or inactive duty training in the Armed Forces of the United States. Upon his release from a period of

such active duty for training or inactive duty training, or upon his discharge from hospitalization incident to that training, such employee shall be permitted to return to his position with such seniority, status, pay, and vacation as he would have had if he had not been absent for such purposes. He shall report for work at the beginning of his next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of training to the place of employment following his release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absence from scheduled work. If that employee is hospitalized incident to active duty for training or inactive duty training, he shall be required to report for work at the beginning of his next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after his release from active duty for training or inactive duty training, whichever is earlier. If an employee covered by this paragraph is not qualified to perform the duties of his position by reason of disability sustained during active duty for training or inactive duty training, but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, he shall be restored by that employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case.

(5) Any employee not covered by paragraph (3) of this subsection who holds a position described in paragraph (A) or (B) of subsection (b) of this section shall be considered as having been on leave of absence during the period required to report for the purpose of being inducted into, entering or determining by a preinduction or other examination his physical fitness to enter the Armed Forces of the United States. Upon his rejection, upon completion of his preinduction or other examination, or upon his discharge from hospitalization incident to that rejection or examination, such employee shall be permitted to return to his position in accordance with the provisions of paragraph (4) of this subsection.

(6) For the purposes of paragraphs (3) and (4), full-time training or other full-time duty performed by a member of the National Guard under section 316, 503, 504, or 505 of title 32, United States Code, is considered active duty for training; and for the purpose of paragraph (4), inactive duty training performed by that member under section 502 of title 32, or sections 206(a), (b), and (d), 301(f), 309(c), 402(f), and 1002(a)–(d) of title 37, United States Code, is considered inactive duty training.

(h) The Secretary of Labor, through the Bureau of Veterans' Reemployment Rights, shall render aid in the replacement in their former positions of persons who have satisfactorily completed any period of active duty in the Armed Forces of the United States or the Public Health Service. In rendering such aid, the Secretary shall use the then existing Federal and State agencies engaged in similar or related activities and shall utilize the assistance of volunteers.

(i) The Secretaries of Army, Navy, Air Force, or Treasury shall furnish to the Selective Service System hereafter established a report of separation for each person separated from active duty.

RIGHT TO VOTE; POLL TAX

SEC. 322. Any person inducted into the Armed Forces for training and service under this title shall, during the period of such service, be permitted to vote in person or by absentee ballot in any general, special, or primary election occurring in the State of which he is a resident, whether he is within or outside such State at the time of such election, if under the laws of such State he is otherwise entitled to vote in such election; but nothing in this subsection shall be construed to require granting to any such person a leave of absence or furlough for longer than one day in order to permit him to vote in person in any such election. No person inducted into, or enisted in, the Armed Forces for training and service under this title shall, during the period of such service, as a condition of voting in any election for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives, be required to pay poll tax or other tax or make any other payment to any State or political subdivision thereof.

CIVIL RELIEF

SEC. 323. Notwithstanding the provisions of section 604 of the Act of October 17, 1940 (54 Stat. 1191), and the provisions of section 4 of the Act of July 25, 1947 (Public Law 239, 80th Congress), all of the provisions of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, including specifically article IV thereof, shall be applicable to all persons in the Armed Forces of the United States, including all persons inducted into the Armed Forces pursuant to this title or the Public Health Service, until such time as the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, is repealed or otherwise terminated by subsequent Act of the Congress: *Provided*, That, with respect to persons inducted into the Armed Forces while this title is in effect, wherever under any section or provision of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, a proceeding, remedy, privilege, stay, limitation, accounting, or other transaction has been authorized or provided with respect to military service performed while such Act is in force, such section or provision shall be deemed to continue in full force and effect so long as may be necessary to the exercise or enjoyment of such proceeding, remedy, privilege, stay, limitation, accounting, or other transaction.

NOTICE OF TITLE; VOLUNTARY ENLISTMENTS

SEC. 324. (a) Every person shall be deemed to have notice of the requirements of this title upon publication by the President of a proclamation or other public notice fixing a time for any registration under section 3.

(b) If any provision of this title, or the application thereof to any person or circumstance, is held invalid, the remainder of the title, and the application of such provision to other persons or circumstances, shall not be affected thereby.

(c) Except as provided in this Act, nothing contained in this title shall be construed to repeal, amend, or suspend the laws now in force authorizing voluntary enlistment or reenlishment in the Armed Forces of the United States, including the reserve components thereof, except that no person shall be accepted for enlistment after he has received orders to report for induction and except that, whenever the Congress or the President has declared that the national interest is imperiled, voluntary enlistment or reenlistment in such forces, and their reserve components, may be suspended by the President to such extent as he may deem necessary in the interest of national defense.

(d) It shall be the duty of the Director to inform every registrant of all rights and procedures available to him under this title regarding classification, deferment, and exemption. Such information shall be in writing and shall be given to every person who registers under this title at the time of his registration, and shall in addition be available subsequently upon request of such registrant.

REPEAL OF CONFLICTING LAWS; APPROPRIATIONS; TERMINATION OF INDUCTION

SEC. 325. (a) Except as provided in this title all laws or any parts of laws in conflict with the provisions of this title are hereby repealed to the extent of such conflict.

(b) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this title.

(c) Notwithstanding any other provisions of this title, no person shall be inducted for training and service in the Armed Forces after July 1, 1971, except persons now or hereafter deferred under this title after the basis for such deferment ceases to exist.

ALIENS

SEC. 326. (a) Section 101(a)(15) of the Immigration and Nationality Act, as amended (8 U.S.C. 1101(a)(15)), is amended by changing the period at the end thereof to a semicolon and adding thereafter the following:

"(K) an alien who has requested and received an adjustment of status under section 247(c) and who is not a nonimmigrant within any of the classes (A) through (J) thereof: *Provided*, That any alien whose status has been adjusted to this class (K) shall depart from the United States within one year from such adjustment: *And provided further*, That any alien who is in this class (K) shall not be eligible for any further adjustment of status whatsoever."

(b) The Immigration and Nationality Act, as amended (8 U.S.C. 1101 et seq.), is amended by adding at the end of section 247 thereof the following new subsection:

"(e) The status of an alien lawfully admitted for permanent residence may be adjusted by the Attorney General, under such regulations as he may prescribe, to that of a nonimmigrant in class (K) under section 101(a)(15) of this Act, or in any other class under section 101(a)(15) for which he may be eligible, if such alien requests an adjustment of status in order to be exempted from the requirements of the Universal Military Training and Service Act, as amended."

(c) Section 248 of the Immigration and Nationality Act, as amended (8 U.S.C. 1258), is amended by inserting immediately after the words "paragraph (15)(D)" the words "or paragraph (15)(K)".

(d) Subsection (a) of section 315 of the Immigration and Nationality Act, as amended (8 U.S.C. 1426), is amended to read as follows:

"(a) Notwithstanding the provisions of section 405(b), any alien who is granted exemption under an existing treaty or any alien who requests and obtains an adjustment of status under section 247(c) or who applies or has applied for exemption or discharge from training or service in the Armed Forces of the United States on the ground that he is an alien, and is or was relieved or discharged from such training or service on such basis, shall be permanently ineligible to become a citizen of the United States."

TITLE IV—MISCELLANEOUS

MILITARY YOUTH OPPORTUNITY SCHOOLS

SEC. 401. (a) The Secretary of Defense, with the cooperation and assistance of the Secretary of Labor and the Secretary of Health, Education, and Welfare, and other appropriate Federal agencies, shall conduct a comprehensive study and investigation to determine the feasibility and desirability of establishing and operating military youth opportunity schools which would provide spe-

cial educational and physical training for a period not exceeding one year, to volunteers who fail to meet the minimum physical and mental requirements for military service in order to enable such volunteers to qualify for service in the Armed Forces.

(b) The Secretary of Defense shall submit a written report to the Congress of the results of such study and investigation, together with such recommendations as he deems appropriate, not later than one year after the date of enactment of this section. The Secretary of Defense shall include in such report, findings with respect to—

(1) the average annual number of volunteers for military service who fail to meet the educational and physical standards for such service, but who, with a maximum of one year's training in opportunity schools of the kind referred to in subsection (a) of this section, could qualify for military service;

(2) an estimate of the costs and benefits to the Department of Defense of establishing and operating such opportunity schools;

(3) the administrative capacity of the Department of Defense to carry out such a program;

(4) an estimate of the reenlistment rate which could be expected from volunteers trained in such opportunity schools;

(5) the advisability of requiring longer enlistment periods for volunteers receiving training in such opportunity schools; and

(6) the most effective means and measures for implementing a program of the kind described in subsection (a) of this section.

VOLUNTEER ARMY STUDY

SEC. 402. The President shall conduct a study to determine the cost, feasibility, and desirability of replacing the present system of involuntary induction of persons into the Armed Forces with an entirely voluntary system of enlistments. The President shall submit the results of such study to the Congress, together with such recommendations as he deems appropriate, within six months after the date of enactment of this section.

NATIONAL SERVICE CORPS STUDY

SEC. 403. (a) The President shall conduct a study and investigation to determine the feasibility and desirability of establishing a national service corps in which citizens of the United States who are mentally and physically able and who desire to perform nonmilitary services designed to combat disease, ignorance, and poverty at home and abroad may serve.

(b) The President shall submit a written report to the Congress of the results of such study and investigation, together with such recommendations as he deems appropriate, not later than one year after the date of enactment of this section. The President shall include in such report such information as he deems appropriate, and in the event it is determined that the establishment of a national service corps as described in subsection (a) of this section is feasible and desirable, he shall specifically include in such report—

(1) a review of existing voluntary Federal service programs (nonmilitary) in which hardships are endured by the participants or extraordinary service is required of the participants, such as the Peace Corps and the Volunteers in Service to America, in order to determine the feasibility of establishing an expanded national service program with the broadest possible participation;

(2) a consideration of what the nature and scope of a national service program should be;

(3) the number of service opportunities which would be generated by such a program;

(4) the relationship of such a service system with the Selective Service System and the feasibility of authorizing service in such a national service corps program as an alternative to military service;

(5) the most effective means by which such a service program might be coordinated with appropriate private, local, and State programs of a public service nature;

(6) the impact of such a service program upon the labor force and the economy of the United States;

(7) the effect of such a service program upon secondary education and higher education;

(8) the role of women in such a service program;

(9) the cost of establishing and operating such a service program; and

(10) the mental and physical standards for participation, if any, and the duration of service in such a service program.

AMNESTY STUDY

SEC. 404. The President shall conduct a study to determine the appropriateness of granting amnesty in the near future to those registrants presently outside the United States who are liable for prosecution under section 203 of this title. In conducting this study, the President shall consider the number of such registrants, the implications for the morale of the Armed Forces granting such amnesty would raise, the historical precedent for granting such amnesty, and such other factors as he deems appropriate. The President shall report the results of this study to the Congress, together with appropriate recommendations, within six months of the enactment of this section.

OCTOBER 15 MORATORIUM

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

Mr. DADDARIO. Mr. Speaker, as reported in major newspapers and magazines around the country, thousands of individually organized expressions of concern on the 15th of October moratorium were carried off with dignity and order. In view of this record, I believe the remarks of Vice President AGNEW, made in New Orleans on Sunday, October 19, were ill conceived and inflammatory. I find it puzzling that Mr. Nixon should allow such statements to be made by the Vice President of an administration conceived under the banner "Bring Us Together" and currently laboring to maintain a calm and rational approach to the solution of the Vietnam war. I join the editorial writers of the Washington Post in concluding that—

It real . will not do for Mr. Ziegler, the White House spokesman, merely to indicate that vice presidential speeches for party gatherings are not cleared in advance by the White House. If Mr. Nixon wishes to be in any way convincing in this matter or to preserve the notion that he is acting in good faith, then he must repudiate the excesses of his vice president or silence him, or—ideally—do both.

I offer the text of the editorial for the RECORD:

MR. AGNEW: NO LONGER A LAUGHING MATTER

By writ and by tradition the vice-presidency is an office in which there is practically nothing to do. The trick of course lies in doing it well—in standing back and learning, in readying oneself for any emergency, in supporting the President backstairs where one can and in doing nothing that goes against his interest. Clearly, then, in the case of Vice President Agnew we are faced with one of two possibilities. One is that Mr. Agnew with his ten-month roadshow of gaffes, goofs, and raw demagoguery hasn't caught on to his job. The other is that he has—that Mr. Nixon is authorizing and/or approving the Vice President's public dicta as part of some elaborate (and foredoomed) political game. Neither is particularly reassuring, but if the latter is the case, we should be told.

In New Orleans on Sunday the Vice President made this necessary with his comments on the war and on the motivations of those involved in last week's Vietnam moratorium:

"If the moratorium had any use whatever, it served as an emotional purgative for those who feel the need to cleanse themselves of their lack of ability to offer a constructive solution to the problem."

And again:

"A spirit of national masochism prevails, encouraged by an effete corps of impudent snobs who characterize themselves as intellectuals. It is in this setting of dangerous oversimplification that the war in Vietnam achieves its greatest distortion."

And again:

"Great patriots of past generations would find it difficult to believe that Americans would ever doubt the validity of America's resolve to protect free men from totalitarian attack. Yet today we see those among us who prefer to side with an enemy aggressor rather than stand by this free nation."

Mr. Agnew also let it be known that those who participated in the moratorium were guilty of the crime of supporting "a massive public outpouring of sentiment against the foreign policy of the President of the United States" and of not caring to "disassociate themselves from the objective enunciated by the enemy in Hanoi."

Now what is interesting in all this is certainly not the Vice President's line of thought or his ham-handed effort to discredit the motivation and question the loyalty of a large and respectable part of the political community; we have seen and heard all that before. It is not even to the main point to observe that Mr. Agnew has outdone himself in assuring the hostility of a part of the electorate Mr. Nixon has some interest in calming down. Nor does the subject upon which Mr. Agnew chose to discourse with such vehemence permit his remarks to be received with the national giggle they so frequently inspire. This time around the only question worth asking is what the President thought of what Mr. Agnew said.

Mr. Nixon is engaged in a highly chancy and complicated maneuver to end the war in Vietnam in a way which will not do utter violence to this country's interests abroad and which will not result in a terrible rending of the social fabric at home—in a right-to-middle uprising based on charges of betrayal and sell-out. At least that is what you can hear any day of the week from those behind the scenes in his administration who argue the case for his method of disengagement and who beg understanding of it. Simultaneously we witness Vice President Agnew out fomenting precisely the kinds of emotions others in the White House profess to fear and claim their strategy is designed in large measure to avoid. It really will not do for Mr. Ziegler, the White House spokesman, merely to indicate that vice presidential speeches for party gatherings are not cleared in advance by the White House. If Mr. Nixon wishes to be in any way convincing in this matter or to preserve the notion that he is acting in good faith, then he must repudiate the excesses of his Vice President or silence him or—ideally—do both.

OPERATIONS FIRES

(Mr. JOHNSON of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. JOHNSON of California. Mr. Speaker, yesterday I introduced on behalf of myself, Mr. DON CLAUSEN, Mr.

WYATT, Mr. DELLENBACK, and Mr. SISK, H.R. 14441, a bill to provide a method for paying costs of fires caused without negligence in connection with national forest timber sales operations. It is my hope that this legislation will resolve some problems which have developed in the timber industry over the years.

In the revision of the contract form used for the sale of national forest timber, questions have been raised as to obligations for the cost of suppressing operations fires—fires which result without negligence in the harvest of national forest timber. Such fires are started occasionally through the friction of logs rubbing on the forest floor or through such occurrences as metal striking metal or rock.

Since such fires are the product of chance, they may occur where the greatest of care is exercised. The cost of their control may be relatively great for any one operator. However, for the industry as a whole, the cost is light—in 1963–67, 4.4 cents per thousand board feet, less than one-half of 1 percent of the price paid to the Government for the timber being harvested. In the current year, the cost is expected to be well below that average.

National forest timber receipts of more than $200 million annually would not result without timber harvesting activities which include the risk of occasional nonnegligent operations fires. At present, the cost of suppressing such fires is met primarily with appropriated funds. To require timber buyers to individually bear a major part of the cost of such chance occurrences would be unfair and disastrous for the individual in some instances. If operators are to bear more of the suppression cost, it must be done in such a way as to spread the risk.

It should be clear that we are not concerned here with fires resulting from negligence. There is general agreement that losses resulting from negligently caused fires are the responsibilty of the negligent firm or individual. Timber sale contracts include very specific precautions that must be taken under various conditions of fire risk. Any deviation from these requirements resulting in a forest fire subjects the timber buyer to full responsibility for the cost of fire control and damages resulting from the fire.

Timber operators have other incentives to avoid forest fires. They have valuable equipment in the forest that could be lost in such fires. They usually need the timber badly to supply their mill and meet the needs of their customers. They usually have considerable money invested in felling, bucking and yarding timber that could be lost in a fire. Lost time and disruption of normal operations in firefighting increase costs.

There has been a proposal that timber buyers assume an increased share of the cost of suppressing operations fires and protect themselves with insurance. Such a practice would work only if there was general use of such insurance, and there are reasons to believe that because of self-insurance or other practices, the insurance would not be generally available at reasonable rates. In any event, it would be costly, and the cost would become a part of the operating cost allowance in timber appraisals—reducing stumpage rates. There could be further complications in claims and counter claims between loggers, buyers and insurance firms. Insurance costs money.

Even under the proposal for individuals to bear more of the cost of operations fires, the Government would meet most of the cost for the largest fires with appropriated funds.

The Operations Fire Fund Act is proposed to meet this problem. It would spread the risk of these nonnegligent fires to the entire industry, provide an incentive for care and meet the entire cost of suppressing such fires from deposits by operators.

Section 2 of the act establishes a fund created from deposits by timber purchasers, based on cut of national forest timber. It would limit the amount of the fund to the total cost of suppressing operations fires over the past 3 years, and would transfer excess funds to miscellaneous receipts of the Treasury.

Section 4 of the act would establish a board to fix the rates of deposits into the fund by regions, review expenditures from the fund and establish additional amounts timber purchasers must pay toward the initial cost of suppression. In western regions, it is expected that the purchaser would assume the obligations for the first $2,500 in suppression cost for each operations fire. Because of different conditions in the East, this obligation might be set at a lower level. In any event, the remaining cost of suppression would be met fully from the operations fire fund.

The Operations Fire Fund Act provides an equitable and low-cost way to meet the cost of suppressing the nonnegligent fires that may occur in the harvest of national forest timber.

BRANDT—AN ERA ENDS FOR GERMANY

(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, yesterday Germany's new Socialist Chancellor, Willy Brandt, took office.

For nearly a quarter of a century, the Christian Democratic Union governed Germany and by its leadership in economics and social policies has brought the German people from the terrible devastation of war to its present position of prosperity and stability, and with the soundest money in Europe—if not the world. But that era now ends for Germany.

The replacement of Chancellor Kiesinger was in no sense a repudiation by the German people of the Chancellor or the proven leadership of his party—which had restored Free Germany to a position of respect among nations.

The CDU received a plurality of the vote. A third party, which is the balance of power, ran last in the election—suffering such a severe loss that it nearly failed to seat any deputies.

The two majority parties—neither of whom could attain a Bundestag majority to elect a Chancellor—were required to deal either with each other or with the splinter party.

Brandt's Socialists led by Herbert Wehner simply made the sharpest, fastest deal.

Press reports show that Brandt was elected Chancellor by only two votes. In the one-candidate election in the Bundestag, which came as a "yes" or "no" vote, four ballots marked "poor Germany" and "no, thank you" were declared invalid. Five additional deputies abstained.

Brandt takes office accompanied by such leadership as: The new Minister of Justice, Gerhard Jahn, who lost his office as Bundestag whip in 1963 for slipping a classified defense document to the magazine, "Der Spiegle." The new Minister of Family is Kaete Strobel, distributor of "Sex Atlas" prepared by the Government to take a frank look at sexual problems.

The world, as well as the Germans, have plainly come to one of the crossroads of history. In order to understand the significance of Chancellor Brandt's election we must understand some of the background which all of the current news stories flagrantly ignore.

It is reasonably well known that Brandt found it desirable to flee from Germany in 1933 because of his activities in the militant Red Falcons, the Socialist Labor Party counterparts of the Nationalist Socialist German Workers Party—Nazi—Brownshirts.

Three years later, still a German citizen, under his newly adopted name of Willy Brandt, he showed up with a forged Norwegian passport as a "correspondent" with the Red forces in the Spanish Civil War.

The Norwegian Minister of Justice at that time was Trygve Lie, later to become the first Secretary General of the United Nations Organization.

When the German Army invaded Norway, Willy Brandt, still a German, found it expedient to hide behind the uniform of a Norwegian soldier to be taken a prisoner of war—rather than be arrested as a fugitive.

Obtaining his freedom within a few days he fled to Sweden while Trygve Lie went to London to become the prime functionary of the Norwegian Government-in-exile. While Brandt was in Sweden and the Norwegian Government was in London, Willy Brandt became a Norwegian citizen.

He next appeared at the Nuremberg trials as a Norwegian correspondent. Because of his fluency in several languages he is said to have been a favorite among the correspondents at the Nuremberg trials.

In 1946, Willy Brandt appeared in Berlin, this time wearing the uniform of a major of the Norwegian Army.

During the next year he renewed his ties with the German Socialist Labor Party, regaining his German citizenship and began his rise to power.

Interestingly enough, one of his old comrades in the party was Herbert Wehner. When Willy Brandt fled in 1933, Wehner went underground with the Communist apparatus in Germany. In 1935, Wehner went to Moscow where he remained until 1947. He now says he is a "former Communist." Upon his affiliation with the Socialist Labor Party, Wehner established himself in Hamburg although he is a native of Silesia in Com-

munist East Germany, where his wife and family still remain.

Mr. Speaker, the significance of Herbert Wehner in the history of Willy Brandt is twofold. First, he assumed totalitarian leadership of the Socialist Labor Party and, following the same technique propounded at that time by American Communist Gus Hall, sought to give it an image of broadly based respectability. Second, Wehner is credited with being the political genius responsible for Brandt's election as Chancellor.

The Norwegian Socialist Labor Party was the party of Trygve Lie. As a young man he had visited Moscow, then had enjoyed a meteoric rise in the party. During the Spanish Civil War, Trygve Lie was Norwegian Minister of Justice and as such personally handled the expulsion from Norway of purged Communist, Leon Trotsky. He arranged Trotsky's transportation to Mexico where he was later murdered by Stalin's agent, a Spanish Communist.

Trygve Lie, as Norwegian Foreign Minister, participated as head of the Norwegian delegation of the UNO in San Francisco together with such American luminaries as Alger Hiss. Thereafter, he became the first Secretary General of the UNO.

What is not well understood in the United States about European politics is the close relationship across national borders between political parties. Thus, interlocking arrangements are frequently made between political parties outside of the structure of government and effectuated when those parties come to control the government of their nation.

As a result of party discipline, the government official who also holds a party title exercises his power, not through the government but through the party apparatus. It is important for all Americans to recognize this power and to realize that while Willy Brandt has become Chancellor of Germany, Germany's policy will be largely made in the Socialist Labor Party, controlled by Herbert Wehner, who reassures us he is no longer a Communist.

Only three nations in the modern world have shown the technical capacity for the production of efficient machine tools—Sweden, Germany, and the United States. For many years, people who understand world politics have recognized the threat to freedom should either German or Swedish technology be permanently allied to the exploitation capacity of the Soviet Union.

In view of the controversial background of Chancellor Brandt and the forces behind his election the world watches very attentively the direction which Germany will now take.

I include a series of pertinent articles following my remarks for the study of the Members:

[From the Washington (D.C.) Post, Oct. 22, 1969]

AN ERA ENDS FOR GERMANY

(By Dan Morgan)

BONN, October 21.—"I see myself," said Willy Brandt a few days ago, "not as chancellor of a defeated Germany but of a liberated one."

Thus the Social Democratic Party's leader, whose active opposition to Hitler has not been an asset in his long journey to the chancellorship, gave the clearest possible sign that his election today ended an era, not only for Germany but for Europe as well.

It was a reminder that a man and a party were coming to power free of any shame for their past—or for being Germans.

This moral self-assurance of the Social Democrats has not always been understood in the 20 years of postwar West German democracy.

In the early days of the republic, the then party leader Kurt Schumacher preached the virtues of a strong "national consciousness." It was too soon. It made the conquering powers uneasy; and the German people, weary from war, rejected Schumacher's raw proletarian philosophy.

ACCEPTED THE DIVISION

Instead, West Germany was built up by the Christian Democrats, who accepted the division of Germany and the concept of "Little Germany."

Willy Brandt and his party have since greatly refined the ideals of Schumacher. They nevertheless bring to the Bonn government a century-old commitment to the German nation based on a policy of peace fitted to present European realities and to the humane traditions of social democracy.

The attitudes of Schumacher and Ernst Reuter, former West Berlin mayor and another key Social Democrat, were mistakenly viewed as nationalistic, Brandt has written.

"National consciousness is something different from arrogance, or overestimating one's worth as to other people," he said. "It rests on a confident evaluation of one's own strength, achievement and virtue—and of one's own limitations."

At the same time, Brandt wrote, whoever fails to accept the consequences of Hitlerism "is unfit to make German policy."

These are some of the strands of thinking that guide the man who is to lead West Germany into the 1970s.

His country is secure as a state, but it is deeply uncertain of its future within the undefined German nation, and the success of Brand't chancellorship may turn on his ability to interpret the longing of its citizens for reconciliation.

In his own historical reflections, Brandt turns to his forefathers in the socialist movement, from August Bebel to Friedrich Ebert. But, surprisingly, he also finds historical lessons to be drawn from two nonsocialists, Otto von Bismarck and Gustav Stresemann. Bismarck—who banned the socialists as enemies of the state—he admires for his rejection of "dogmas, doctrines and ideology." Stresemann he respects more deeply for his courage in seeking reconciliation with German's World War I enemies against the domestic opposition of a powerful right wing.

SEEKS "INTERNAL REFORM"

Both failed in the long run, he believes, because they were unable to "unite the nation from within." Brandt, for his part, has pledged to be the "chancellor of internal reform."

The root of Brandt's diplomacy of reconciliation, in 34 months as foreign minister in the Grand Coalition of Christian Democrats and Social Democrats, has been nonviolence. And one of the stated priorities of his government will be to negotiate treaties renouncing the use of force with the Soviet Union and the other Eastern European countries, including Walter Ulbricht's East Germany.

Brandt has a firm commitment to the Western alliance, but a determination to at least lay the groundwork for a peace in Europe less dependent on Soviet and American power.

Brandt was born Herbert Karl Frahm in 1913, in the northern coastal town of Luebeck. The dark days of Germany paralleled the dark days of Frahm. The illegitimate child of an impoverished mother, he nonetheless achieved a high school degree, which in those days could normally be obtained only by upper-class children or the unusually gifted.

After 1933 and the Hitler persecution of socialists came exile to Norway and Sweden, involvement in Scandinavian socialist work, Norwegian citizenship and adoption of a new name, Willy Brandt.

MAYOR OF WEST BERLIN

Following the war came his much-publicized return to Germany in a Norwegian major's uniform, an event still held against him by many Germans. By 1947, he had become a German citizen again. In 1955 he was elected mayor of West Berlin.

That began the period for which he is internationally known as a symbol of West Berlin's struggle for survival 110 miles inside Communist territory.

Although he was momentarily shocked by the inaction of the allies when the Berlin Wall was built in 1961, it was that period that ultimately cemented his relationship with the Western allies, particularly with Washington.

LESS FORMALITY

It is almost certain that he will reduce the ceremonial level of Bonn's official life.

One diplomat recently recalled that the first year Brandt was foreign minister, the annual diplomatic ball called for white tie. The next year, changes were already evident: black tie or dark suit was sufficient.

While Chancellor Kiesinger and his predecessor, Ludwig Erhard, were disliked in the postwar generation of German intellectuals, Brandt is attracted by them, and vice versa.

He has a close friendship with novelist Guenter Grass.

He is a gifted raconteur, witty and a master of colorful language, particularly late in the evening.

A few months ago in a relaxed mood before journalists he described the Grand Coalition as being similar to the "sexual traffic of elephants . . . everything occurs at a high level, much dust is churned up and the results are long in coming."

His work habits reflect a style that is thorough, reflective and speculative rather than managerial.

"I am no sprinter," he reminded a journalist the other day as he worked on his government program.

The next days and months will determine if Brandt, the long-distance runner, has the wind to outrun the conservative Christian Democrats, who will be nipping at his heels from the opposition benches.

[From the Washington (D.C.) Evening Star, Oct. 21, 1969]

WILLY BRANDT TAKES REINS AS CHANCELLOR

(By Andrew Borowiec)

BONN.—Willy Brandt, a child of Lubeck slums and a longtime political exile, today became West Germany's first Socialist chancellor.

He inherited a strong nation with a strong economy, strong currency—and strong opposition from the Christian Democratic Union (CDU), ousted after 20 years in power.

He has pledged to lead Germany along a more liberal and independent path, no longer a conquered nation with a guilt complex but a country demanding a place in the world commensurate with its economic success.

Brandt was sworn in by President Gustav Heinemann shortly after the new German Bundestag (parliament) elected him to the nation's leadership by 251 votes to 235—two votes more than required.

Five parliament members abstained, four votes were declared invalid and one deputy was absent.

The election was made possible only by a coalition between Brandt's century-old Social Democratic party (SPD) and the small

Free Democratic party (FDP), commanding a 12-seat edge among the 496 members of the legislature.

The coalition resulted from the Sept. 28 legislative elections that gave no clear-cut mandate to any single party. By pooling their forces, the SPD and liberal FDP were able to remove the Christian Democrats from power at least for four years.

Thus, an era dominated by the ghost of the late Konrad Adenauer, architect of post-war West Germany, came to an end. For the first time since the war, left-of-the-center forces are at the helm.

It was a day of jubilation for most of West Germany's post-war generation and a day of bitterness for the Christian Democrats who control 242 seats in the Bundestag and thus present a potential stumbling bloc to many of Brandt's ideas.

The election results were read today in hushed silence in the modernistic Bundestag building.

"Yes, I accept the election," Brandt said.

Minutes later, as the session of the sixth Bundestag was adjourned, former Chancellor Kurt Georg Kiesinger bitterly pledged to lead his Christian Democrats as a strong opposition force.

Assisting Brandt as vice chancellor and foreign minister in the 15-minister cabinet will be Walter Scheel, head of the FPD.

The new government is committed to lead what it calls a "barriers down" policy toward Eastern Europe. It wants to have a more realistic approach to East Germany and would like to end the age-old feud with Poland.

The coalition also wants to move with determination to expand and strengthen the European Common Market.

One of its first acts, however, is expected to be formal revaluation of the German mark, which has soared more than 6 percent over its official value on the free markets.

Brandt will spell out his program in detail next week but no spectacular departures from his electoral campaign platform are expected.

For the 55-year-old Brandt, it was a long and arduous path from his native Lubeck to the white-walled Palais Schaumburg, the official residence of German chancellors, on the banks of the Rhine.

Son of an unwed shopgirl, he was brought up as Herbert Karl Frahm. From early youth, he participated in the socialist movement, eventually adopting the pseudonym of Willy Brandt, which later became his name.

In 1933, with Nazi stormtroopers stamping out opposition, young Brandt fled to Norway, whose uniform he wore at the start of World War II. He fled Nazi armies again in 1940, a hapless exile in a Europe on fire.

But after the war he returned to a devastated and broken Germany, saying "It is better to be the only Democrat in Germany than one of many in Norway . . ."

His career was fast and brilliant. He served as mayor of West Berlin and later, in 1966, became foreign minister in the "grand coalition" government.

[From the Washington Post, Oct. 22, 1969]

BRANDT REPLACES KIESINGER; BECOMES FIRST SOCIALIST RULER OF WEST GERMANY

(By Dan Morgan)

BONN, October 21.—Willy Brandt, the former mayor of West Berlin who failed twice in the past eight years to win the leadership of West Germany, was elected today as the first Social Democratic chancellor of the post war republic.

Brandt's "I accept the election" was greeted by applause from his Social Democratic Deputies in the Bundestag (Parliament) and ended 20 years of Christian Democratic rule.

Brandt's first comments after his election stressed efforts to achieve diplomatic relations and a nonaggression treaty with Poland, and pointed toward a quick German signature on the nuclear nonproliferation treaty.

At the end of the tense secret balloting in the Bundestag chamber, Speaker Kai-Uwe von Hassel announced that Brandt, the sole candidate, had exceeded the required absolute majority of 249 by two votes.

The vote was 251 for Brandt, and 235 against him, with five abstentions and four votes declared invalid, including ballots marked "Poor Germany" and "No thank you."

There had been some uncertainty over whether Walter Sheel's 30 Free Democrats, the Social Democrat's partners in the new coalition, would stay united behind Brandt. At least 27 of them did, and that was enough.

Brandt, 55, became the first Social Democrat since 1930 to lead a German state when he took the oath of office before the plenum this afternoon.

Brandt, who failed to win in 1961 and again in 1965 when the Christian Democrats swamped his party in national voting, acknowledged that his victory was a source of "a little bit of pride."

Though the new government's program will not be announced until next Tuesday, domestic reform, strengthening West European unity and seeking accords with the East are Brandt's guidelines.

Brandt told the German press agency DPA that he would work for diplomatic relations with Poland, as well as a treaty with Warsaw renouncing the use of force. He said there should be no major obstacles in finding "the right basis" for signing the nuclear pact.

The new chancellor, who served as foreign minister for 34 months in the outgoing cabinet of Chancellor Kiesinger, will face some tough problems almost immediately.

The first is the threat of inflation, which a leading West German economic research group said would remain even after a currency revaluation, expected to come in the next few days, possibly Sunday.

The other problems are the crisis in the Common Market over the collapse of the Market's agricultural pricing policy and the French stand against widening the Market.

He also will face the strongest parliamentary opposition in Bonn's history.

Stability is essential for Brandt and his new team of Social Democratic and Free Democratic ministers to carry out their broad program of Domestic reforms, including expansion of university facilities, tax changes and greater promotion of science and research.

At today's parliamentary session, the Christian Democrats sat in silence as the results were announced. When it became obvious that Bonn had just seen its first transfer of political power to the socialists, floor leader Rainer Barzel and Chancellor Kiesinger left their front benches and shook hands stiffly with Brandt.

Then Brandt turned and, exploding with a grin, gave a spontaneous half-hug to Herbert Wehner, the man who 10 years ago masterminded the Social Democratic strategy switch to the moderate policies that resulted in the socialists receiving 42.6 per cent of the national vote last Sept. 28.

Brandt's margin today was two more than the one-vote cushion won by the late Chancellor Adenauer in 1949, and party officials predicted that they would have no trouble staying in charge on the floor.

The new government will be sworn in on Wednesday. The unofficial lineup:

Chancellor: Willy Brandt (SPD).

Foreign Minister: Walter Scheel (FDP). Former foreign aid minister under Ludwig Erhard and a Dusseldorf management consultant.

Defense: Helmut Schmidt (SPD). Party floor leader under outgoing Grand Coalition, reserve Bundeswehr major and a defense specialist.

Economics: Karl Schiller (SPD). The mastermind of the 1967–68 economic recovery who introduced central planning in discreet doses to the German postwar economy.

Finance: Alex Moeller (SPD). One of the old SPD "comrades," but one from the employer manager side, he is director of a Karlsruhe Life Insurance company.

Interior: Hans-Dietrich Genscher (FDP). A lawyer with liberal credentials.

Minister in Chancellory: Horst Ehmke (SPD). Pragmatic and energetic, he is the motor in the Brandt chancellory that will leave the chancellor time for policy and planning.

Justice: Gerhard Jahn (SPD). Lost his post as junior Bundestag whip in 1963 for giving Spiegel magazine a "secret" document from the defense committee.

Transportation: Georg Leber (SPD). Trade unionist and a coming man in the party.

Agriculture: Josef Ertl (FDP). Representative of the party's right wing in the cabinet.

Labor: Walter Arendt (SPD). Trade unionist.

Development aid: Erhard Eppler (SPD). Spartan, progressive, with strong ties in the Protestant Church, both in East and West Germany.

Housing: Lauritz Lauritzen (SPD).

Family: Kaete Strobel (SPD). Distributor of "Sex Atlas" prepared by government that took a frank look at sexual problems.

Science: Prof. Hans Leussink (unaffiliated). Brandt's most controversial choice because of lack of party image; left-wing students and trade unionists suspicious of his conservatism on educational reform.

All-German Affairs: Egon Franke (SPD). Strong ties in Bundestag but otherwise unknown.

NIXON CONGRATULATES ACTUAL BONN WINNER

President Nixon, who committed a minor international blunder by prematurely phoning the winner in Germany's elections, congratulated the new West German Chancellor, Willy Brandt, yesterday.

Mr. Nixon phoned congratulations to then Chancellor Kurt Kiesinger the night of the election when his party had won a plurality but not a majority, with no assurance of his retention as chancellor.

In yesterday's letter, Mr. Nixon told Brandt it gave him "great pleasure to congratulate you on your elevation to the high office of Chancellor of the Federal Republic of Germany. You have already done much for your people, as governing mayor of Berlin and as foreign minister and vice chancellor."

[From the Washington Star, Nov. 21, 1958]

BERLIN'S LORD MAYOR READY FOR CRISIS

BERLIN, November 21.—Willy Brandt is ready to take on whatever the Communists throw at Berlin.

"We've got strong nerves and we're ready for the difficulties ahead," says the handsome 44-year-old Lord Mayor.

Mr. Brandt is a fighting Socialist politician in the tradition of the late Ernst Reuter, Lord Mayor who saw Berlin through the Russian blockade of 1948–9.

Some fellow Social Democrats think Mr. Brandt may one day be Chancellor if West Germany swings left.

His lust for the political rough-and-tumble may stem from his background—voluntary exile during the Hitler years, escape from the Gestapo, marriage to a Norwegian beauty, and a meteoric postwar political rise.

WAR RECORD ARGUED

Controversy centers around his activities in World War II. Some political foes accuse him of treason, claiming that he fought with the Norwegian Army while a political refugee.

Mr. Brandt denies the charge. He says he put on the Norwegian uniform to escape the Gestapo hunt for him after Norway fell in 1940. He succeeded in eluding the Nazis and wound up the war as a Norwegian citizen

in Sweden working as a journalist. In the war he changed his name from Herbert Karl Frahm, given to him by his mother, a former shop girl in Luebeck.

After Germany surrendered, Mr. Brandt returned to Berlin as Press Attache in Norway's military mission.

He readopted German citizenship in 1947. He won a seat in West Germany's Parliament and in 1950 became a West Berlin city legislator.

HIS SOCIALISM IS PRACTICAL

Mr. Brandt was a hard-headed practical Socialist then and is now. Experience with Nazism and Communists has made him shy at too much state power. He sees free enterprise playing a pivotal role in reconstructing West Berlin as a showcase for freedom.

In 1948 Mr. Brandt married Rut Hansen, whom he had met in Scandinavia. The couple and their two boys speak Norwegian at home.

The Brandts live in a four-room apartment of a two-family house.

"For the boys and myself, our parties here take place when my husband is at home. That's not often," said slim, blonde Mrs. Brandt, wistfully.

"The boys sometimes ask me how it is that the father of the children upstairs can come home for lunch."

Mr. Brandt isn't coming home for lunch nowadays—and rarely for dinner. He is too busy speeding around among his 2.2 million people, telling them to stand fast.

[From the Washington Post, Feb. 7, 1959]

GERMAN MAN OF FUTURE?—BRANDT, YOUNG SOCIALIST, HERE TODAY

(By Chalmers M. Roberts)

A 44-year-old German politician on the way up arrives in Washington today with his blond, trim Norwegian-born wife. He is Willy Brandt, Mayor of the city on which the world's eyes are focused—free West Berlin in the midst of Communist East Germany.

Brandt became a Social Democratic Party member at 17. Three years later, when Hitler came to power in 1933, he fled to Norway, where he had relatives. In Oslo, he studied history and worked as a journalist. In 1937, he covered the Spanish Civil War for Scandinavian newspapers. Born Herbert Frahm, he took the pen name Willy Brandt when he first began to write in Norway.

When Norway surrendered to Hitler in 1940, Brandt donned a Norwegian uniform in order to surrender as a soldier rather than risk arrest by the Gestapo. He was released, went to Sweden, was granted Norwegian citizenship in absentia, again worked as a journalist.

After the war ended, he was a Scandinavian newsman in Germany covering the Nuremberg trials. He also served as a political attaché of the Norwegian military mission in Berlin.

In 1947, he settled in Germany for good. Thayer quotes him as saying at the time that "it is better to be a lone democrat in Germany than to be one in Norway where everyone is a democrat."

In Berlin he jumped into party politics and was, successively, chief editor of the Berliner, Stadblatt, a member of the West German Bundestag, a member and president of the Berlin House of Representatives. Today he is not only Mayor of Berlin but also his Party's chairman in the city. He is the author of a recent biograph of Ernst Reuter, the Social Democratic Mayor during the Berlin airlift days and Brandt's political mentor.

The Mayor's party favors some form of East-West disengagement and is strongly opposed to nuclear arms in West Germany. Brandt's own position on some of these points is a bit fuzzy.

The Eisenhower Administration is eager to give Brandt a good reception. It wants him to know how important it feels is his strong leadership in West Berlin—and not just because some $300 million of American aid has been poured into the city since 1947.

Brandt will be entertained here tonight by Eleanor Dulles, the State Department's longtime German expert and sister of Secretary John Foster Dulles.

[From the Harper's magazine, February 1959]

UNDERGROUND IN NORWAY

(By Charles W. Thayer)

The progressive opponents of The Barracks staged an open revolt at the Stuttgart convention last May and managed to throw most of the old left-wingers out of the party's executive committee, replacing them with such modern right-wingers as Willy Brandt. On foreign policy, however, there was little change at Stuttgart. In their appeals for talks with the Kremlin, their denunciation of NATO defense plans, and their opposition to Adenauer's pro-Western policies, the speakers only succeeded in pushing the party further down the dead end street of fuzzy-minded neutralism.

It was clear in Stuttgart that the reformers themselves had not dared to challenge the legacy of Schumacher in front of the minor party officials, the ward leaders who dominated the party convention. What the reformers needed was not an intellectual Socialist—they had plenty of them—but a courageous, dynamic man with the popular appeal to lead a genuine rejuvenation movement. That man, his friends say, is the newly elected national committeeman, Willy Brandt.

Willy's career, like his charm, is unique in several respects. Born in Lübeck on the North Sea, the son of a grocery store saleswoman, Brandt (whose name at birth was Herbert Frahm) became interested in the Social Democratic party as a schoolboy. Still in his teens when Hitler came to power, he saw his older friends being arrested by the Gestapo and decided to flee before he himself was caught. He escaped by fishing boat to Norway. There he immediately began a successful career as a journalist under the pen name of Willy Brandt.

Unlike other Social Democrats who emigrated first to Prague and eventually to London, where they spent their exile huddled in a frustrated little group, some not even learning to speak English, Brandt quickly became active in Norwegian politics. He learned both Norwegian, in which he wrote a number of books and pamphlets, and English, which he still speaks well.

During his exile he acquired a forged Norwegian passport.

"It was a damned good forgery," Willy records. "It fooled all the police in Europe—including the Gestapo."

With it he covered the Spanish Civil War for some Scandinavian newspaper and even visited Berlin to gather material in the Nazi party archives for use in his anti-Hitler pamphlets.

When the Germans invaded Norway, Brandt was working with the Norwegian Red Cross. Fearful that the Gestapo would discover his real identity, his friends got him a Norwegian soldier's uniform in which he was taken prisoner by the Wehrmacht instead of the Gestapo. After a few weeks as a prisoner-of-war, he managed to escape and fled to Sweden.

These circumstances have caused him some political embarrassment, since opponents have charged that while still a German citizen he bore arms against his country. Willy emphatically denies the accusation explaining that he had been deprived of German citizenship by the Nazi government and that in any case he was a Red Cross worker and not an active soldier. Perhaps oversensitive to these charges of treason, Brandt has brought suit against the politician who first published them. The case is still pending.

In Sweden, Brandt finally acquired Norwegian citizenship and worked with the Norwegian Government-in-Exile until the war ended. It was in Stockholm that he first met Ruth, the widow of a fellow journalist. But it was not until he moved to Berlin that he married her.

When the war ended Brandt returned to Germany, first as a journalist to report the Nürnberg trial and then as a political attaché of the Norwegian Military Mission in Berlin. He re-established his contacts with the Social Democratic party, then being revived by Kurt Schumacher, and after two years decided to give up his privileged position as a victorious Norwegian and to resume the citizenship and status of a defeated German.

"It is better," he said at the time, "to be a lone democrat in Germany than to be one in Norway where everyone is a democrat."

In Berlin, Brandt at once allied himself with another ex-emigré, Ernst Reuter—later to become a famous Mayor of Berlin—who was also a Social Democrat with progressive leanings. At that time the local party leader was Franz Neumann. He had spent the Hitler years in "internal emigration" as a locksmith and had sprung to prominence when he successfully resisted Soviet efforts to merge the entire Berlin Social Democratic party with the Communists to form the Soviet-dominated Socialist Unity party which now rules East Germany and the Eastern Sector of Berlin.

Jealous of Reuter's immense prestige, Neumann provoked a quarrel which lasted until Reuter's death. The feud was carried on by Brandt and only ended, for practical purposes, when Brandt ousted Neumann from the local party chairmanship.

Elected to the first Bundestag in Bonn in 1949, Willy (under Reuter's tutelage) slowly built himself a reputation as a practical politician, a highly effective public speaker, an arch-enemy of the Communists, and a stanch ally of the West—and particularly of the United States, which had contributed so much to saving his adopted city during the Blockade. Finally his break came with the crisis at the Brandenburg Gate in 1956 and his election as Mayor a year later.

As soon as he had installed himself in the Mayor's office, Brandt set out on two pilgrimages which since the war have become almost obligatory to aspiring German politicians—to Washington and London. According to the Berlin press both trips were triumphal tours—in brilliant contrast with the tepid reception his national party chief, Erich Ollenhauer, received a year earlier. Berliners of all parties—excepting the Communists—are proud of their new Mayor and consider him the legitimate heir of their beloved Ernst Reuter. British, French, and American officials are no less warm in their praise.

But it is the Social Democratic reformers who hold the highest hopes for Brandt. Not that they expect him suddenly to take over the national party leadership or even to storm The Barracks at Bonn. Willy is still too junior among the rank-conscious Social Democrats, despite his recent leap to fame. Moreover, he is a cautous political strategist, who can wait ten years to gain his ends.

OPPORTUNIST OR PRACTICAL POLITICIAN?

Now that he has risen to the top level of his party, what does Willy hope to achieve for it? In the first place, he believes strongly that an exclusively workers' party is an anachronism. The Social Democrats must spread out in all directions—among white-collar workers and small businessmen, intellectuals and civil servants. At its fringes it should not demand formal party membership but should merge with non-party sympathizers. "People have a perfect right to be politically active without paying dues to a political party," he argues.

Secondly, Brandt believes, that though a party machine to organize elections is necessary, it should not be the tail wagging the dog. Even in the selection of candidates, party functionaries have a tendency to put forward old "comrades," and as a sounding board of

public opinion, Brandt believes, polls are more accurate than the views of prejudiced ward leaders.

Willy is not an extremist, however, about the old symbols that worry Carlo Schmid and other reformers. If the old boys want to drape an old party banner or two behind the speaker's platform, Willy doesn't mind. "But," he adds with a grin, "let's not start making any new red banners. It's not the fashion nowadays."

And if they want to call each other "comrade" and sing a few Socialist songs at the end of a political rally, why not? (Brandt himself regularly addresses his audiences as "Ladies and Gentlemen" and when he took the oath as Mayor of Berlin, he almost shouted the words "So help me God!" thereby shattering an ancient Social Democratic taboo on religious oaths.)

Brandt is not a believer in dogmas and party doctrines. "In this age when politics like everything else is jet-propelled, who can draft a program that will stand up five years hence?" The best one can do, he thinks, is to formulate a few basic principles and stick to them. At the Stuttgart convention, where an elaborate new party program was one of the chief subjects of discussion, Willy was conspicuously silent.

Among the principles Willy would like to see adopted are these four:

(1) "The magic word 'nationalization' is no longer justified in modern politics. The problem is how the various forms of economic activity and how private and public capital are to be harmonized. To the extent that public capital is necessary, for example in the fuel industry, you have to be cautious and not just demand complete socialization."

(2) Recalling the bitter days of 1933, when Hitler was hailed into power by an ignorant electorate, Willy believes that enlightened popular political activity must be vigorously expanded. "It's not enough," he says, "just to give people the vote." In Germany many feudal hangovers from the past curtail the political activity of the citizen. The most burdensome of these—not only of Hitler, but of Bismarck and Wilhelm II—is perhaps the bureaucracy. "Imagine an American civil servant telling a Congressman to go to hell," he says. "Yet that's precisely what many high civil servants do in Germany!" Brandt concedes that you can go too far with this as with any other theory. Lenin, for example, suggested that in the ideal state, street cleaners and mayors should alternate at their jobs. "That's nonsense," he says; "besides I've no great hankering to sweep streets."

(3) Willy believes that the existing monopoly on higher education in Germany must be broken. This, he explains, is a two-pronged problem. The ordinary well-paid German worker—suffering from an old inferiority complex—seldom saves money, as a poor civil servant does, to send his children through college; he feels they don't belong there. On the other hand, many people in Germany, including Adenauer and his adherents, still think that scholastic aptitude is best determined by birth. Rich industrialists perpetuate the educational monopoly by granting scholarships only to sons of white-collar employees. The big university fraternities, with their powerful old grads, do the same by giving preference in jobs to sons of fraternity brethren.

(4) While Willy does not hold much store by the old romantic ideals of an international brotherhood of the working class, he does believe that the more prosperous industrial nations should practice a new brotherhood by helping to develop backward countries.

On the more specific issues of international affairs, Mayor Brandt is careful not to antagonize the policy-makers of his party. Often he takes refuge in the formula that, as Mayor of Berlin, foreign affairs are outside his province. Since his city suffers most acutely from the division of Germany, however, he attaches far more importance to reunification than do Adenauer and his adherents. To achieve reunification he is also prepared to take greater risks than the present government.

Perhaps because he is daily confronted with problems arising from the East-West struggle, Brandt believes that eventually Moscow and Washington will be forced to come to a settlement by world public opinion. He also believes that the pressures within the Soviet Union—unrest among intellectuals, the unsolved problems of modern industrialism, and the problem of the peasantry—will eventually force the Kremlin to modify its methods.

Furthermore, the pressures in the satellites, such as those in Poland and Hungary, will work toward the same end.

For all these reasons, Willy believes that Germany must push for an eventual settlement and see to it that it is made with Germany's consent and not at its expense. At the same time, he thinks that to be prepared for every contingency the West must keep all lines to the East open. Unlike Adenauer—who once refused a West German visa to a Soviet clown—Willy is ready to talk to all visitors who come through Berlin from the East. Shortly after becoming Mayor of Berlin he paid a courtesy call on the Soviet Commander in the East Zone, and when I last saw him he was about to receive some Soviet students returning from England.

In the current debate on "disengagement" Brandt pleads ignorance but, he adds, everyone else appears to be just as ignorant, including Chancellor Adenauer. An American general, for example, told him that the American bases in Germany were useless.

"If that's the case," Willy asked, "why not swap them for some political advantage?"

Until the Western authorities and particularly NATO itself are agreed upon minimum military defense requirements, no one, including Adenauer, knows what we are bargaining with—or for.

Compared to the involved ideologies of some of his fellow politicians, Brandt's principles appear basic to the point of superficiality. In fact, some of his critics accuse him of down-right opportunism. His friends reply that the fundamental difference between him and the doctrinaire theoreticians is that while he was working at practical politics in Scandinavia the theoreticians were debating nineteenth-century dogmas in London. An American diplomat in Berlin who knows and admires Brandt, says: "It is precisely his pragmatic approach to problems that appeals so strongly to outsiders who do business with him."

Willy is the first to recognize that his political philosophy must appear rather commonplace to an American. But, he emphasizes, Germany has never had a chance to adapt its political institutions to what he calls "living democracy." Only during the Weimar Republic would such a development have been possible—and during that hectic period the goal of every politician was not reform but survival. During the occupation the Western Allies—particularly the Americans—did their best to put some of Willy's principles into practice but (though Willy is too polite to say so) they failed. Anyway, Willy believes, such principles cannot be imposed from without but must be developed from within.

[From Time, May 25, 1959]

NO MORE BANNERS

The conflict between Willy and Ollenhauer is also an ideological conflict between two generations of Socialists. Many of the party's senior bureaucrats cling to gospel according to Karl Marx, still talk wistfully of a "state-guided economy." They have lost the last three national elections. Willy argues that "the magic word 'nationalization' is no longer justified. The problem is how . . . private and public capital are to be harmonized." If German Socialism is to get more than its immovable 30% of the votes, he insists, "it must have a wider base than a single class," must become less doctrinaire to win middle-class appeal. "Let's not start making any new red banners," he says. "It's not the fashion nowadays."

THE YOUNG FALCON

Willy's moderate Socialism represents the Scandinavian strain in him—the most important influence in his life. He was born Herbert Karl Frahm, the illegitimate child of a shopgirl in the Baltic German port of Lubeck. The companionship he could not find at home he sought in the "Red Falcons," prewar Germany's Socialist youth movement. He got into his first slugging match with the Nazis at 17, was rarely out of trouble thereafter. By 19 he was writing for Socialist newspapers, serving as a functionary of the far-left Socialist Workers' Party, and was, an old acquaintance recalls, "as close to Red as you can get without actually being Red." In 1933, already in the Gestapo's black books, and disgusted with the German Socialists' collapse before Hitler, he fled to Norway under the pseudonym Willy Brandt—the name he has borne ever since.

In Norway Willy supported himself by newspapering. (In the 1957 German *Who's Who* he still listed himself a journalist.") But his real profession was politics. He became the moving spirit of the German refugee colony in Oslo, won such esteem among Scandinavian Socialists that some of them still argue that he would in time have become Foreign Minister of Norway. Willy gained political maturity there, and a deep affection for Scandinavia that has never left him. Even today he speaks Norwegian at home, and most of the personal friends invited to the Brandt's five-room duplex in Berlin's Zehlendorf district are Scandinavian.

FATHERLY FRIEND

When the Nazis invaded Norway in 1940, Willy found himself in personal danger. Up to his neck in anti-Nazi plots—he had even spent six months back in Nazi Germany using forged Norwegian papers—he was wanted by the Gestapo. At the urging of Norwegian friends, he donned a Norwegian uniform, was flung into a P.W. camp along with the defeated Norwegian army, released as harmless after five weeks. At war's end, after almost five years in refuge in Sweden, he turned up in Germany again, first as a Norwegian correspondent, then as press attaché to the Norwegian military mission in Berlin.

When he arrived in Berlin, a Norwegian citizen with the rank of major in the Norwegian army, Brandt had no intention or resettling in the land of his birth. Already he was planning marriage to Rut Hansen, lovely blonde widow of a Norwegian journalist. (His first marriage, also to a Norwegian girl, ended in divorce in 1947.) His privileged status as a member of the Allied occupation forces assured him of a luxurious existence that no German could dream of matching. But under the influence of Ernst Reuter, whom he still emotionally recalls as his "fatherly friend," Willy's interest in German politics began to revive. In early 1948 he became a German citizen again. His explanation: "It is better to be the only democrat in Germany than one of many in Norway, where everyone understands democracy."

[From the Manchester Guardian Weekly, Sept. 29, 1960]

MAYOR BRANDT OF BERLIN

(By Werner Burmeister)

What kind of man is Willy Brandt and what influences have shaped him? He himself supplies answers to these questions in "My Road to Berlin," which is just published (by Peter Davies, at 25s). In some measure, the story suffers from being retold by an-

other man's pen, or perhaps it is the fault of the translation which sometimes jars on the reader. Still, through Mr. Leo Lanio we have now been given a simple and straightforward account. Brandt's outlook has been vitally influenced by three men, and by his exile in Norway.

The first of the three men was his grandfather in Lübeck where Willy Brandt was born in 1913—as Herbert Frahm, who never knew his father. The grandfather, an agricultural laborourer and later an industrial worker, taught him the rudiments of socialism. At his knee, the boy heard about Marx and Bebel and Lassalle, and how the Social Democrats would end all misery for ever. He got a scholarship to the grammar school, joined the Socialist youth organisation, started to write for the local party newspaper, and met its editor, Julius Leber, who represented Lübeck in the Reichstag, and who was executed by the Nazis in 1944 for his part in the conspiracy to kill Hitler.

During the struggles immediately before Hitler came to power, Julius Leber, the second of his mentors taught Brandt some principles which sound quite simple now but were not so simple then, and which the young Left-wing Socialist must have continued to doubt for a while. They were that Social Democrats were forced to wage war on two fronts—against the Nazis and against the Communists—and that "working class unity" was impossible between two parties, one of which stood for democracy, while the other wanted to establish its own dictatorship. Until the end of the Spanish civil war, and even later, until the Hitler-Stalin pact of 1939, many young Socialists thought that the Communists had similar aims.

Leber was arrested on the day Hitler became Chancellor. A faithful fisherman took Willy Brandt (that was now his party name) to Scandinavia. There he spent some of the happiest and most formative years of his life. Norway became his second home. He was young enough to avoid the self-centred life of political refugees. Soon he spoke the language fluently—so much so that the Germans did not recognise him when, later on, he became their prisoner of war for a short time. Meanwhile, he worked as a journalist and as an active member of the Norwegian Socialist youth movement. The example of a Socialist party in power, too busy mastering the practical problems of running its country to have much time for theoretical debates, clearly produced a lasting change in his outlook.

Equally decisive for him was his assignment as a war correspondent for some Norwegian papers in Spain early in 1937. He saw the Communists at work and noted that, though they contributed greatly to the military organisation of the Republican forces, they did not hesitate to use the most vicious means against their Socialist comrades, to secure exclusive control of Republican policy. It was an experience which later largely determined his political actions and thinking.

After the German conquest of Norway Willy Brandt fled to Sweden where he met exiled Socialists from practically all European countries.

In Sweden, too, he made his first contacts with members of the German conspiracy against Hitler—officers, civil servants, many of them conservative in outlook. At first, he could not believe that the German generals would overthrow the man who was their own creation. But he changed his mind, above all because men like Julius Leber were taking a leading part in the plot. It was their sacrifice, in the holocaust that followed the attempt on Hitler's life in July 1944, which in the end made him determined to return to Germany.

At Christmas, 1946, he arrived in the uniform of a Norwegian major to join the military mission at the Allied Control Council in Berlin. A few days earlier, Ernst Reuter had returned there from Turkey—the third man who was to exercise a profound influence on Brandt's mind. Berlin in 1946 seemed like a no man's land on the edge of the world, though inhabited by three million people. Within a year, he had decided that he must go back to Germany for good; he gave up his Norwegian citizenship and applied for renaturalisation. The West German Social Democrats sent him to Berlin as their spokesman with the Western Allies there.

[From the Manchester Guardian Weekly, Feb. 20, 1964]

HERR BRANDT BECOMES PARTY CHAIRMAN

(By Norman Crossland)

BONN, February 16.—Herr Willy Brandt, Lord Mayor of West Berlin, today became chairman of West Germany's Social Democratic Party and candidate for the Chancellorship at the general election in September next year. As chairman he succeeds the late Herr Erich Ollenhauer.

The SPD is now led by a triumvirate of Herr Brandt, Herr Herbert Wehner, and Herr Fritz Erler, these last two being elected as deputy party chairmen. Herr Wehner will look after the political organisation of the party and Herr Erler will be the party leader in the Bundestag.

An early sign that Herr Brandt's election heralds a period of more pointed political strife was the reaction of the Christian Democrats. The CUD business leader, Herr Josef Hermann Dufhues, said his party wished Brandt the strength to carry out his political task. But, in fact, he added less sweetly, the SPD had no other choice than to elect Brandt when at the last general election he had been projected at such expense by the party's propaganda machine.

The choice of Brandt as chairman had been made in the knowledge that the party was really rejecting the stronger man, namely Herr Erler. This showed how, in the days of mass media, a political party could become the prisoner of its own propaganda.

[From the New York Times, Apr. 11, 1965]

WILLY BRANDT—THE CHAMPION OF FREE BERLIN

(By Philip Shabecoff)

BERLIN, April 10.—When West Berlin's governing Mayor Willy Brandt was turned back by East German police as he tried to drive home through the autobahn last Sunday he must have thought glumly about a speech he made last Dec. 29.

In his annual year-end address to the people of Berlin, Mr. Brandt predicted that there would be no East-West crisis flaring up over their city during 1965.

The formations of MIG's that buzzed Berlin and the blockades of the autobahn during the last week have proved Mr. Brandt a rather dubious prophet. But if his vision of the future was a bit clouded, his reaction to the crisis was characteristically aggressive.

"We will not be frightened by threats," he proclaimed when he finally got back to the city.

Referring to an ultimatum by Nikita Khrushchev in 1958 when the Soviet Premier demanded that the Western Allies get out of Berlin within six months, Mr. Brandt added that "we would not be where we are today if we got down on our knees when Khrushchev issued his ultimatum and threatened us."

CHARM AND COURAGE

It is this characteristic aggressiveness, combined with boyish looks and charm, a delicate sense of political balance and a reputation for personal courage that has carried Willy Brandt, at the age of 51, within striking distance of the apex of West German political power.

As leader of the opposition Social Democratic party since the death of Erich Ollenhauer, Mr. Brandt will be his party's candidate for Chancellor in the West German national elections this September. He failed in a previous try for the country's highest office; but this time, facing a disorganized Christian Democratic party, he is conceded a fair chance of winning.

Mr. Brandt's path to his present political eminence has been a rather tortuous one. He was born Herbert Karl Frahm, the illegitimate son of a shopgirl in the north German city of Lübeck. While still young he joined the Red Falcons, a left-wing Socialist youth movement of pre-war Germany.

When Hitler came to power, Herbert Frahm fled to Norway, using the name Willy Brandt to elude the Nazi security police. In Norway he worked as a journalist and became a leading figure in the Oslo community of German refugees.

Mr. Brandt came close to falling into Nazi hands when the Wehrmacht conquered Norway. But he escaped by getting into the uniform of a Norwegian soldier and getting himself thrown into a prisoner-of-war camp with other members of the defeated army.

Released after five weeks, he made a hasty exit for Sweden, where he remained for the rest of the war.

AT NUREMBERG TRIALS

Mr. Brandt came back to Germany immediately after the war to cover the Nuremberg trials for Norwegian newspapers. A fellow newspaperman at Nuremberg recalled recently that "Brandt was very helpful to the rest of us. He could speak English, Danish, Norwegian, Swedish and French as well as German and he must have acted as a go-between and translator for half of the foreign press corps."

He then came to Berlin, but still as a Norwegian citizen, wearing the uniform of a Norwegian major and harboring no thoughts about staying permanently in Germany.

But once in Berlin, Major Brandt began to get involved in the problems of conquered Germany and active in Socialist affairs. In 1948 he became, formally, a German citizen once again.

"It was better to be the only democrat in Germany than one of many in Norway where everybody understands democracy," he once said of his decision to stay here.

Although again a citizen of Germany, Mr. Brandt kept the name he had used to flee the country. "My old name has no meaning for me," he once replied when asked about it. He explained that his mother had married and taken a new name and that everything of importance he had ever said, written or done had been under the name of Willy Brandt.

As Mr. Brandt moved forward in his political career, his wartime activities became something of a liability. Professional haters and political opponents spread the word that Mayor Brandt had become a "traitor" by leaving Germany during the war and that he had in fact fought against the German people.

Although these accusations continued to boil up every now and again, Mr. Brandt has managed to overcome the effects of their virulence.

Under the spiritual tutelage of Ernst Reuter, the late Mayor of West Berlin and tough old Socialist leader, Mr. Brandt assumed increasing responsibility in the Social Democratic party. For several years he represented West Berlin in the West German Parliament at Bonn.

As Mayor, Mr. Brandt negotiates with the East German regime on matters such as the pass permits that allow West Germans to pass through the Berlin Wall to visit relatives on the other side.

These contacts with the East have given some of Mr. Brandt's opponents the opportunity to charge him with being "too conciliatory" or "too friendly" toward the Communists.

A recent survey made by a West German newspaper indicated that Mr. Brandt is the most popular German in the United States. The sentiment seems to be reciprocated.

When Mr. Brandt accepted leadership of the Social Democratic party early last year, his speech smacked strongly of John F. Kennedy's inaugural address. "For all of us the question is not what the party can do for you, it is what you can do for the community," the West Berliner said.

Mr. Brandt also has spoken admiringly about President Johnson's Great Society and holds it up as a pattern for Germany to emulate.

[From the Central European Observer, Feb. 15, 1946]

SERVANT OF THE WORLD

(By A. J. Fischer)

When the United Nations were electing the President for their London Assembly, M. Gromyko, on behalf of the Russian delegation, proposed the Norwegian Foreign Minister, M. Trygve Lie, but M. Spaak won by a small majority. A few weeks later, the Security Council had to decide on the important appointment of a permanent General Secretary. (The approval of the General Assembly is merely a formality.) This time it was Mr. Stettinius, the American delegate, who proposed M. Trygve Lie. After prolonged debates in the course of which one candidate appeared too much pro-Anglo-Saxon, another too Russophile, the Big Five agreed on the 50-year-old Norwegian.

Strategically Norway's situation is between the Western and the Russian spheres. Well aware of this delicate position, she did not wish to belong to any block with a definite tendency, though every Norwegian is nowadays prepared to fulfill all his duties and obligations within an international security system.

The fact that M. Lie's straightforward political life lifts him above any suspicion as to his favouring any power or power groups, makes him a suitable man to act as "servant of the world," as he modestly interprets his new task. World Citizen No. 1 a title used by many of those congratulating him, he regards as presumptuous. His country, which gladly records this honour as an appreciation of its gallant fight and resistance, is respected by all and feared by none. Above all, Norway is one of those small nations which have two great advantages: Unburdened by inverted inferiority complexes, she is also free of chauvinism. Trygve Lie can look back on a great Norwegian tradition.

In his first speech before the United Nations Assembly, he gave a definition of the phrase "international unity" and mentioned the name of Bjornson, that great national poet of Norway, who had fought for the freedom of the oppressed Slovaks some forty years ago. Frequently he has been referring to yet another famous son of his people: Fridtjof Nansen. Nansen, the explorer and humanitarian, regarded a world peace without Russia's active co-operation as an impossibility. M. Lie holds the same view. In August 1941, he called on the then Soviet ambassador in London, M. Maisky, with the suggestion that the diplomatic relations between the two neighboring countries should be resumed. An eternity seems to have passed since that formal step, which has resulted in a lasting and sincere friendship. Nor was there any loosening in the traditional, emotional, cultural and economic ties existing between Great Britain and Norway. Asked for his sentiments towards England, Trygve Lie replied simply: "I need not think much about this question, for the mentality of the British is so familiar to me that I even think in the same way as they do."

Exiled to Great Britain during the war, he presented his hosts with 4,000,000 tons of Norwegian shipping—invaluable asset for England's war effort, particularly when she stood alone.

Very often comparisons are being made between M. Lie and the British Foreign Secretary, Mr. Bevin; their stocky figures, their popular sense of humour, as well as their backgrounds and political careers bear considerable affinity. Both have risen from the depth of the people. This fact has never been forgotten by Trygve Lie. In his first declaration as General Secretary of UNO he stressed the duty to help the distressed masses of the world, to feed them adequately, to clothe them and warm them. Only the fulfilment of that social mission would ensure that the victims of the second world war had not died in vain. Both Mr. Bevin and M. Lie owe their brilliant political careers to the confidence of the trade unions, which have always remained their chief concern.

In other spheres again there are parallels with Truman's Secretary of State, Mr. James F. Byrnes. The American and the Norwegian are both self-made men, who had to fight hard to pay for their studies. They both started their careers as errand boys. (M. Gerhardsen, Norway's Prime Minister, commenced in the same way.) Actually, M. Lie's political career began even before the professional one. Son of a carpenter, he was a very conscious Labour Party man. At the age of ten, he borrowed a horse and a cart on election days and rode through the outer districts of Aker. Passers-by were politely invited to get in. Having done so, however, they were overwhelmed by a torrent of clever political agitation. Setting down his fares in front of the polling place, young Lie was convinced that they would give their vote to the proper party. In latter years he has also been a successful organiser, though perhaps not always with the same enthusiasm.

Trygve Lie is fond of young people and likes to surround himself with youth. Political friends of the new General Secretary of UNO relate that he used to bribe his three daughters from their fourth year with countless ice-creams in order to have them in the front row of any audience.

As a boy, Trygve Lie belonged to the Trade Union Youth Organisation, at the age of 15 he enrolled as an ordinary member of the Labour Party. Working in the afternoon as an errand boy in order to support his widowed mother, he attended school in the morning and did his prep. at night. He was to become an artisan, like his deceased father and all his brothers. However, a socially-minded teacher recognised his special gifts and advised him to study. Having passed his matriculation with honours, Trygve Lie won a scholarship for the Oslo University, where he enrolled at the age of 19 as a student of law. At the same time he was already a member of the Trade Unions Executive. Norway's future Foreign Minister passed his final exams with distinction.

In 1919 Trygve Lie established himself as a lawyer. He also acted as Secretary to the Central Executive of the Norwegian Labour Party and legal adviser to the Trade Unions. M. Lie's initiative was then already responsible for the most favourable wages agreements and a progessive labour arbitration law. Young and versatile, he also played a prominent part in the administration of his native Aker (near Oslo.)

Norwegians usually travel to the south. Trygve Lie, however, did not go to Italy for his honeymoon, but to Soviet Russia. The young couple burned to see the life and development of a Socialist State. No Soviet complex has ever troubled Trygve Lie. It is his conviction that Russia is equally interested, for security reasons, in a free and independent Norway as England and America.

Trygve Lie is a successful organiser. He adheres to the principle of starting work early and stopping late at night with only a short midday rest. His future UNO colleagues—in the Eight-Men Cabinet and the numerous sub-committees—may find the following hints useful: As a rule their new chief is gentle and good-tempered. Only disturbances when he is tired and engaged in some important work may cause an occasional outburst. An amicable apology invariably comes not later than 30 minutes after.

In 1939, the important Ministry for Supply and Shipping had been entrusted to him. He anticipated that his country might have to suffer under the blockade even if it were kept out of the war. So large stocks of supply were speedily put into storage. Norway was the only country on the continent which was not compelled to introduce petrol rationing during the first months of the war. When Minister Dr. Brauer submitted Germany's ultimatum, the Norwegian State, thanks to M. Lie's foresight, had reserves of rye, wheat, coal, etc., available in unprecedented quantities. Minister Lie accompanied the King and the Crown Prince on their hazardous flight through the whole of Norway to Otta. In a tourist hotel on the hills of Romsdalen, he rejoined the rest of the Norwegian Government. Trygve Lie was still wearing galoshes and a lounge suit, as in all the hurry it had been impossible to find a suitable skiing outfit for his bulky frame.

On reaching Aandalsnes, he made contact with the British Headquarters. The supplies essential for the continuation of the war in Northern Norway were secured under the immense difficulties by Minister Lie. His greatest deed, however, was the salvation of the fleet for the Allied war effort. Working day and night with a number of experts in a small mountain hotel, he managed to snatch 1000 ships or 4,000,000 tons from the Germans, often under their very noses. He worked out provisional measures requisitioning the entire Norwegian fleet for his Government and resulting in the foundation of a Norwegian Trade and Shipping Commission, the largest ship-owning concern in the world. Those 1000 ships have rendered invaluable services to Great Britain in the battle of supplies.

In view of the recent experiences he firmly rejected the impotent policy of neutrality for his country, demanding its integration in the International Security System. The same line will be prosecuted by his successor, M. Halvard Mathey Lange, son of the Nobel prize winner for Peace. In 1933 he was still Secretary of the International Union of Pacifists in London, but two bitter years in Sachsenhausen—together with Prime Minister Gerhardsen—have changed the outlook of this eminent politician and writer.

The first General Secretary of UNO calls himself a servant of the world. He can become that servant if he succeeds in creating an instrument which supplants nationalistic egoism and prestige mania by international collaboration. Trygve Lie is a strong personality abounding with energy. He directed his country's fleet safely to Allied ports. Let us hope to God that he will now be successful in steering the Allied countries into the haven of a lasting peace.

[From the American Swedish Monthly, March 1946]

ELECTION OF TRYGVE LIE OF NORWAY AS FIRST SECRETARY GENERAL OF THE UNITED NATIONS ORGANIZATION EVOKES PRAISE IN SWEDISH PRESS

Having served as a loyal member of the League of Nations, Sweden takes a keen interest in the organization of the UNO, even though it has not yet become a member, and few developments have given it greater satisfaction than the election of Trygve Lie, Foreign Minister of Norway, as the first Secretary General or chief executive. Not only is Swedish public opinion pleased because a man from the North was chosen, and particularly a member of the Norwegian Government who has shown that he

understands the reasons for Sweden's policy during the war and appreciates the aid Sweden was thereby able to render Norway, both during and after the hostilities, but because he represents one of the smaller nations. The Swedish press recalls that, in contrast, the first Secretary General of the first League was an Englishman, Sir Eric Drummond, and that thereafter the post alternated between Englishmen and Frenchmen. Never once did a citizen of a small nation, hold the post. Naturally, having shown his understanding and sympathy during the war. Mr. Lie can be expected to give Sweden a square deal in the future.

"The choice of the Norwegian Foreign Minister, Trygve Lie, as the first Secretary General of the United Nations is a cause for joy from every point of view,' said the widely circulated *Stockholm-Tidningen* on January 1, 1946. "The post he has been selected to fill is incomparably the most important in the whole organization, and the way the first occupant of it discharges his duties will be decisive as to all future developments. As a man and as a political leader Mr. Lie has given proof that he possesses the qualities required by this difficult and exposed position—strength of character, moderation, wisdom, ability to judge objectively, and firm determination to serve the ideals the new world body has adopted. He has thereby won respect and appreciation in all quarters, which, in turn, made it possible for the spokesmen for the various interests to unite on his name. The fact that his own country enjoys the same high regard among the United Nations—and outside—because of its contributions to the principles of justice and democracy, has naturally contributed its share to his selection and thereby gives him still greater moral authority."

In this praise the conservative *Svenska Dagbladet* of Stockholm joins, adding that from now on, since the Secretary General has the right to bring matters directly to the attention of the Security Council, without waiting for a member of UNO to ask him to do so, "size alone will not be decisive in the new world politics and that even the smaller nations may get a hearing. For his own part, Mr. Lie seems to have accepted his new position with a mixture of modesty and pessimism which only his sense of duty was able to overcome. From now on he can no longer regard himself as either a Norwegian or a Social-Democrat, but as the first citizen of the world, who with high impartiality, has to promote only the interests of his new employers. But since such a sublimation of a good Norwegian into a regulation-controlled cosmopolitan is hardly possible in the case of an ordinary mortal, it is clear that the smaller nations particularly those of the North, can count on the personal good will of the new Secretary General."

As to how Mr. Lie came to be chosen the paper draws the conclusion that since the site of the UNO was set for the New World, the Secretary-General had to be a European. By this the first choice of the Anglo-Saxon countries, Lester Pearson, Canadian Minister in Washington, was eliminated. Since neither Russia nor Britain would tolerate a man from the other country, and France was this time too weak to assert itself, he had to come from a small country. Since, furthermore, the Russians knew they did not have enough votes to elect their first choice, a Yugoslav by the name of Simitch, they nominated Mr. Lie whom both they and the United States had supported as the first President of the Assembly. Both Mr. Bevin of Britain and Mr. Stettinius, approved of the idea and Mr. Lie was chosen.

Trygve Lie is a man of the people. His father was a carpenter in Oslo, and thanks to his own efforts, as well as the economic sacrifices of his parents, he was able to obtain a university education. He was also a good athlete, a football player and a sprinter. He is reported to have made the 100 meters in 11 seconds flat. Having entered the University of Oslo at the age of 18 in 1914, he obtained an administrative law degree in 1919 and immediately became a secretary in the Norwegian Labor Party. Three years later he became legal adviser to the Norwegian Trade Unions and in 1935 he entered the Government as Minister of Justice. Four years later he was shifted to the post of Minister of Commerce, Shipping and Industry and as such he had to provide what he could for the Norwegian army of resistance when the Germans attacked the next spring. He is said to have been the last member of the Government to quit Oslo on April 9, 1940. Later he requisitioned the whole Norwegian merchant marine, turning it over to the Allies. The services rendered by these 4,000,000 tons in supplying Britain food and munitions are supposed to have been equal in value to the military aid of an army of a million men. In November, 1940, he succeeded Halvdan Koht in London as the Norwegian Minister for Foreign Affairs. In 1945, when the Government returned to Oslo, he was one of the few ministers retained in the new Government. C. J. Hambro, who had been the Conservative Party Leader, President of the Storting and head of the Assembly of the old League of Nations, was not reelected to the new Norwegian Parliament.

[From the American Bar Association Journal, March 1946]

LAWYERS IN THE NEWS

A rugged lawyer of and from whom a great deal is likely to be heard, in the United States and the World, is TRYGVE LIE, of Oslo, Norway, the 50-year-old Secretary-General of the UNO, who will come to New York and establish his headquarters early in March. The son of a carpenter, he entered the University of Oslo in 1914 and completed his legal training in 1919. His name is pronounced as "Trig-va Lee", with the accent on the "Trig".

From the first, he devoted himself to labor law and politics, and became the Secretary-General of the Norwegian Labor Party, which was making a long, uphill fight for power. In 1939 he became Minister of Trade, Shipping and Industry; and in 1941, the Norwegian Foreign Minister in exile in London. He and his family had had a "messy" time when the Nazis invaded Norway, but they got away to London.

Without previous background in international law or diplomacy, he has ever since devoted himself to it with "impassioned interest." His selection as Secretary-General of the UNO resulted from the "veto power" and a compromise. When the UNO General Assembly met in London for organization, the Soviet Union and the United States supported Mr. Lie for election as President of the Assembly. But Great Britain won a majority for the doughty Paul-Henri Spaak, of Belgium.

The United States and seven other members of the Security Council of eleven meanwhile were supporting the able and popular Lester ("Mike") Pearson, Canadian Ambassador in Washington, as best qualified to be the Secretary-General. The Soviet Union had a "veto power" on this office and proposed to use it, in order to force the election of a continental European, in view of the choice of the United States as permanent site for the UNO. American acceptance of Mr. Lie as the compromise nominee broke the dead-lock. The three "key" positions in the UNO, organizationally, are thus held by the Norwegian Labor Party's Trygve Lie as Secretary-General, by the Australian Labor Party's Norman Makin at the head of the Security Council, and by the Belgian Socialist Party's Paul-Henri Spaak, as President of the Assembly.

Mr. Lie is stocky and very energetic, spends his leisure in skiing and tennis, and is devoted to agreeable companionship and good living. He will receive an annual salary of $20,000 and $20,000 for living expenses in addition to a furnished house, all at the expense of the UNO and all exempt from American taxation.

He has a formidable job ahead of him, in organizing and staffing a secretariat of probably at least 2,500 persons, from many countries and speaking many languages. Beyond his heavy administrative tasks with the Security Council in continuous session, the Charter gives him powers and duties for keeping the peace. One of his duties is to "bring to the attention of the Security Council any matter which in his opinion may threaten the maintenance of international peace and security" (Charter, Article 99).

This is a good deal of a job, for a labor lawyer who has devoted his adult life to the advocacy of the political program of labor in politics: but his friends are confident that in one of the key jobs of the new World he will show capacity, impartiality, skill in avoiding flare-ups, and "impassioned" devotion to the cause of peace through justice and law. American lawyers will welcome his coming to our shores and will be of any help to him they can.

[From the New Republic, Mar. 25, 1946]

UNO'S TRYGVE LIE

(By Alfred Joachim Fischer)

Trygve Lie, Secretary General of the UNO, began his political career at the age of ten, when he borrowed a horse and cart on election day and rode through the suburbs of Aker, near Oslo. He offered passers-by a lift, and those who accepted were set down at the polls after being given a harangue from the labor viewpoint.

Norway's former Foreign Minister, like Bevin, owes his political career to the confidence of the trade unions. At the age of fifteen he was enrolled in the Labor Party. He was then working after school as an errand boy to support his widowed mother, and expected to become a carpenter, like his father. His teachers, however, recognized his gifts and advised him to continue his studies. He won a scholarship to the university at Oslo, where he studied law. During this period he was a member of the Trade Union Executive.

By 1919, Trygve Lie had established himself as a lawyer, and acted as secretary to the Central Executive of the Norwegian Labor Party and legal adviser to the trade unions. He was responsible for obtaining many wage concessions and a progressive labor-arbitration law. He also played a prominent part in the administration of Aker, his native town. In 1926 he was elected to the National Executive of his party. Nine years later, when Lie, at 38, was serving his first term in the Storting, Johan Nygaardsvold invited him to join the Labor government as Minister of Justice. Lie has always belonged to the left wing of the Labor Party, as his books testify. In 1931 he published *The Anti-Labor Laws and the Battle Against Them* and *The New Labor Arbitration Law*, jointly with Viggo Hansteen, whom Terboven made into a trade-union martyr during the occupation.

When the war broke out, Lie was Minister for Supply and Shipping. In anticipation of a blockade, he started a program to store supplies. Norway was the only country in Europe which did not have to introduce gasoline rationing during the first months of the war, and when Germany submitted her ultimatum she had unprecedented reserves of grain and fuel. As the Germans invaded, Lie escaped to British headquarters in northern Norway with the King and government.

In spite of great difficulties, he succeeded in keeping the troops supplied in the fighting around Tromso and Aandalsnes. But his outstanding achievement of those days was to save the Norwegian merchant fleet for the Allies. Working day and night with a number of experts in a small mountain hotel, he managed to snatch four million tons of shipping from the Germans and evolved provisional measures to requisition the entire Norwegian merchant fleet for his government. Over the short-wave radio he ordered Norwegian ships to put in at Allied ports. The thousand ships saved were a major factor in winning the Battle of the Atlantic.

In 1940 Lie took over the Ministry for Foreign Affairs provisionally, and in 1942 in a permanent capacity. He won friends and concessions from the diplomatic corps in London while keeping in close contact with the Home Front. His information services worked smoothly. The blowing-up of a Norwegian bridge, for example, was often known in London sooner than in Oslo. Lie himself went to Norway for several weeks during the war via the underground. Chain-smoking Turkish cigarettes with his usual aplomb, he afterwards told his London friends who remarked on his long disappearance, "I have been extremely busy."

Lie spent his honeymoon in 1921 visiting the Soviet Union to see the development of a socialist state. He and his wife were hindered by the loss of their suitcases; no clothes could be bought and they were unable to attend any meetings, because their only set of underwear was on the clothesline. This experience, however, did not result in an anti-Soviet complex. It is his conviction that Russia is as interested, for security reasons, in a free and independent Norway as are England and America. It was he who called on Maisky in London in August, 1941, to reestablish diplomatic relations. In his first speech before the United Nations Assembly, Lie spoke of "international unity," citing the example of Björnson, the great national poet of Norway who had fought for the freedom of the oppressed Poles, Czechs and Slovaks forty years earlier. And frequently he refers to Fridtjon Nansen, the explorer and humanitarian, who regarded a world peace without Russia's active cooperation as an impossibility. Yet Lie has also said, when asked what he thought of England, "The mentality of the British is so familiar to me that I even think in the same way as they do." He has been noted for his efforts for closer Scandinavian cooperation, to make the northern countries serve as an ideological bridge between Russia and the West.

The fact that Lie's straightforward political life lifts him above any suspicion of favoring any power group or groups makes him a suitable man to act as servant of the world," as he interprets his new task. His country, which gladly records this honor as an appreciation of its gallant resistance, is respected by all and feared by none. Norway is one of those small nations unburdened by inverted inferiority complexes and hence free from chauvinism. Trygve Lie can look back on a great Norwegian tradition.

Despite his bulkiness, Lie's special hobby is sport. For many years chairman of the Worker's Sports Union, he skis, plays tennis and football. During his exile, he rooted for the Chelsea football team, and described his fervent cheering as "healthy lung exercise." He likes young people and his flat in London became the rendezvous for young Norwegians and soldiers on leave. His political friends claim that he used to bribe his three daughters with ice cream to have them in the front row of any audience he addressed.

Lie is a good mixer and a good organizer. He speaks English, French, German and a little Russian. He starts work early and works till late at night with only a short mid-day rest. His UNO colleagues may find the following hints useful. As a rule Lie is gentle and good-tempered. Disturbances when he is tired or engaged in some important work may cause an occasional outburst, but an apology invariably comes within half an hour. He never sulks—with one exception; he may sit brooding for days if a member of his family forgets his birthday.

WORLD WATCHMAN—TRYGVE LIE OF UNO

(By Drew Middleton)

LONDON.—The faith of many early adherents of the United Nations Organization has been shaken by ominous conditions which surround the approaching meeting of its Security Council. The dispute over Iran is a critical issue—the first great hurdle that UNO must surmount. But there are those of great faith who believe that UNO will take the barrier and go on to the sunny uplands of peace. And among them are Trygve Halvden Lie, a hard-bitten, practical Norwegian lawyer, who is Secretary General of the organization.

As Secretary General Trygve Lie might be called the world's first internationalist. Under the charter of UNO he "may bring to the attention of the Security any matter which in his opinion may threaten maintenance of international peace and security." His responsibilities, says the charter, are "exclusively international" in character and he is not to be influenced in his duties by any member of the United Nations. He is, in fact, the world's watchman.

First and foremost his job is to administer UNO. He is its chief administrative officer, acting in that capacity for all meetings of the General Assembly, the Security Council, the Economic and Social Council and the Trusteeship Council and he must perform any other functions entrusted to him by these organizations. Lie's willingness to shoulder extra burdens is a measure of his terrific energy.

Under regulations laid down by the General Assembly, Lie appoints the entire staff of the secretariat and assigns appropriate staffs to the Economic and Social Council and the Trusteeship Council. This in itself involves a tremendous amount of investigation and conisderation by Lie as well as a considerable measure of personal power.

For as he himself says, "There is always a tendency to appoint those who come forward first. But I think it is best to go slow, to make sure that appointments are *right*. That is better than waiting two or three months and then learning that I have made a wrong choice. For by then replacing a man will mean upsetting an entire department."

Selection of the staff must be done on the basis of two considerations: securing the highest standards of efficiency, competence and integrity and spreading appointments throughout the member states. These considerations, Lie admits, make selection difficult, but he is adamant in maintaining that they are necessary.

Lie, with the consent of the Security Council, can notify the General Assembly at each session of many matters relative to the maintenance of international peace and security that are being dealt with by the Security Council and shall similarly notify the General Assembly or members of the United Nations if the Assembly is not in session, as soon as the Security Council ceases to deal with such matters.

Thus, from the point of view of the selection and direction of his staff, he has great powers and is, in fact, a virtual dictator. But from the standpoint of power over various delegations, his role, as it is now envisaged, is that of a coordinator rather than director.

Lie's public activities during the first Assembly of UNO and the Security Council in London were not spectacular. He did not preside, he attended, and he left the table-banging to others. Indeed, were it not for a certain intensity of expression this heavy-shouldered man, who sat stolidly through the sessions, would have passed for a house detective. Like Clement Attlee, Lie is at his best in committee, where his integrity, firmness and willingness to see both sides of any question are impressive. He is not the type of man who lends himself to political exploitation, having no great attraction as a speaker. But he has moral qualities that the world and UNO need.

Lie at 50 is a plain man speaking and working for the plain people of the world and all their hopes. His intellect and ability are far above the average but, during the last seven years, he has encountered the physical and mental dangers which have beset the average man in Europe. The experience endowed him with a sense of kinship with the people not only of western Europe but of the world.

In many ways the man is a study in contradictions. The snap judgment of an eminent Frenchman that Lie is "a proletarian with his shoes shined" is superficial, but it does underline two contradicting factors of Lie's character; he is a proletarian of the proletariat, yet he knows how to work and bargain in the glossy, cynical world of international affairs.

There are few grays in Lie's character. He is a study in black and white. Toughness, a combination of peasant shrewdness and strong will working with one of the best legal minds Norway ever produced, is perhaps his outstanding characteristic. But this toughness is balanced by genuine friendliness. That much-overworked word, "charm," applies to Lie. Capable of great affection and loyalty to friends and subordinates, he can be rousingly angry in a manner which shakes his associates, but sometimes clears the air.

In late years he has learned to curb his rages and tendency to talk too freely about his work. Today he exudes affability. His face, long and rounded, breaks into frequent smiles. He gestures often with his hands and manages to do it gracefully despite the fact that each hand is as large as a small ham.

Generally his tall, strong body, which is just beginning to run to fat, is clothed impeccably in a blue double-breasted suit. He has learned the polite chit-chat of cocktail diplomacy, although like many members of Britain's present Labor Government, he dislikes this form of social intercourse. His attitude toward the trappings with which many wish to adorn the UNO's new home reflects his affection for plain people and plain speaking.

"I don't want the UNO to have too much or ask for too much," he said shortly before he left for America. No palaces and extensive and expensive grounds. Just plain Government buildings, the kind that American officials would want if they were abroad. We are not coming to the United States as anything but plain people. We are not coming as rulers or anything like that. We are plain people working for plain people all over the world and we hope that this will be understood in the United States. I hope we can show we are working in the interests of all common men and women everywhere and working without the old diplomatic tricks."

Lie, both as a person who throughout his life has seen problems successfully solved by negotiation and discussion and as a moderator for a voiceless section of humanity in the councils of the great, places primary importance on international discussion either inside or outside of UNO, although naturally he hopes and expects that more of the world's problems will be deposited on UNO's doorsteps.

Lie himself has come very far on his own ability in discussion and debate in Government councils, in the law courts and in the rough-and-tumble of Norweigan party politics. He has discussed world affairs with Norwegian seamen and English Tommies and listened to voices of men who helped to shape the world in which he sees the United Nations as the greatest hope.

A quarter of a century ago he listened to Lenin in the Kremlin for three hours and during the war he sat in the White House and Downing Street and heard Roosevelt and Churchill discourse on the world as they saw it.

Lie got his start in life in an industrial suburb of Oslo, where his mother kept a boarding house. It was a textile center and Lie as a schoolboy heard Swedish syndicalists and Norwegian labor union members debating their rights and wrongs as he toiled over his books.

Like many another poor boy watching his mother work, he resolved to grow rich and famous. His "rags to riches" story went according to Horatio Alger routine until 1914, when he entered Oslo University. But Oslo at the start of the first World War was not Mr. Alger's America and Lie, instead of following the conventional scenario by entering a business, saving it and marrying the daughter of the boss, found himself in the thick of turbulent Norwegian Labor party politics and keeping company with Hjordis Joergensen, daughter of the local station master.

Lie's preoccupation with books and politics did not prevent him from becoming a first-class football player and track athlete at Oslo University. But when he received his law degree he was already secretary to Martin Trammel, secretary of the Norwegian Labor party. In 1921 he married Hjordis Joergensen and journeyed to Moscow as secretary of a Labor party delegation. It was during this visit that Lie listened to Lenin talk for three hours.

A year later he became legal adviser to the Norwegian Trade Union Federation, a post he held for thirteen years. In addition to handling court cases he wrote a number of pamphlets of an explanatory nature. His own course in labor politics was moderate. As his activities and interest expanded so did his circle of friends, and the big, gregarious young labor lawyer soon had nearly as many friends in Vestkanten, Oslo's upper-east side, as he had in proletarian Russia. He began to travel extensively in western Europe and Scandinavia. The Oslo lawyer had started on the path toward becoming a citizen of the world in the truest sense.

But he was no more than a capable young man in Oslo when in 1935 he joined the Norwegian Government as Minister of Justice. Indeed, his gregariousness, his fits of temper, his occasional political indiscretions, worried some of the weightier members of the party. One of these once said, "For six days a week I think Trygve is a genius. On the seventh he is just a child."

Lie's political character, like that of many another public man of our times, can best be assessed by his personal reaction to two principal political doctrines which have flowered during the first half of the twentieth century: communism and fascism. As a Socialist he has been extremely interested in the progress of socialism in Russia and as a European he is fully alive to the Soviet Union's position as a great power in Europe and the world. But since he is a Scandinavian Social Democrat he favors change by evolution rather than revolution, and since he is Norwegian and a western European, he believes firmly and fervently in those freedoms residing in the Bill of Rights.

Naturally, a man of this political orientation, a democrat of the people who believes in socialism, was repelled by National Socialism, the most powerful manifestation of fascism yet seen in the world. Watching from the north, Lie saw the Social Democrats in Germany broken by their Nazi masters, their leaders forced into exile or driven to concentration camps. There was nothing that he, a minor Minister in the Cabinet of a nation of 3,000,000 souls, could do about it, but it is reasonable to believe that Lie's present devotion to peace and human liberty received its greatest impulse during the years when he sat on the rim of the Nazi state and watched night settle over Germany.

A month after the outbreak of war in September, 1939, Lie was named Minister of Supply and Shipping in Norway. Thus, when in April of 1940 the Germans invaded Norway, he controlled perhaps the most important single asset which the kingdom was able to contribute to the Allied cause: the Norwegian merchant fleet of 3,500,000 tons and 25,000 seamen.

Lie became the Norwegian Foreign Minister in November, 1940, a step which led to his current position, for it placed him in direct and frequent contact, not only with the representatives of the great powers in London, but with the envoys of smaller nations already overrun by the Wehrmacht or menaced by its ruler.

In his present position, Lie inevitably is a target for speculation on the subject of "who is backing him." The subject is a fruitless one, for Lie happens to be backed by two of the strongest powers. Contrary to popular opinion it was not Russia that first proposed Lie for an important post in the UNO. It was the United States. The State Department suggested to the Russians in November, 1945, that Lie might make a likely President of the Assembly. When this post went to Paul Henri Spaak, the Russians advocated Lie for the post of Secretary General, which he now holds.

So today Norway's "man of the people," who has walked with the great of the world and kept touch with the common people, is in a position where he can do the most good for the men and women of the class from which he sprang and for which he reserves his greatest affection. Cartoonists sometimes see him as an affable, although captive, barrage balloon. His friends in every country think of him as a tough, determined fighter for peace and men's rights.

[From World Report, Nov. 12, 1946]

LIE: "SERVANT OF THE WORLD"

The 51 delegates to the U.N. Assembly all represent the views and interests of their own countries. Only one man who sits with them is responsible to no government. This diplomat without a country, who speaks for the peoples of all lands, is Trygve Lie, (pronounced Trig-va Lee) Secretary-General of the U.N.

The big Norwegian, who stands 6 feet 1 inch tall and weighs 250 pounds, exercises many powers limited otherwise to sovereign states in the world organization. He takes part in U.N. debates on equal terms with member nations and can call the attention of the Security Council to situations that threaten the peace.

A socialist in economics, but a democrat in politics, Trygve Lie came to the U.N. with three decades of experience as a lawyer, trade unionist, politician, Cabinet officer and Foreign Minister in his own Norway. But he still dislikes protocol and receives visitors in shirt sleeves and suspenders.

VIGOROUS

Broad-shouldered, robust, florid and intensely energetic, Lie works with amazing speed despite his bulk. Papers fly as he clears his desk each day.

Leisure hours to the Oslo Laborite mean good talk, good jokes, good wine, good food (which he consumes in proportion to his size) and sports. Once a college wrestler and football player, he misses few major sports events in New York and at every opportunity, takes to hunting, skiing and tennis himself.

Skis helped Lie escape from Norway in 1940. His rifle kept his wife and three daughters in meat during the grouse-hunting season in wartime Britain. Now he sometimes skips tedious sessions of the U.N. for a set of tennis. At 50, he still plays a smashing game.

During meetings of the General Assembly and the Security Council, Lie sits quietly at the right hand of the chairman and whispers advice on procedure and rules.

But when the Secretary-General takes the floor, he goes into the big issues with a vigor that pays no heed to the policies of member nations, big or small. In his first report to the Assembly recently, he denounced the failures of the U.N., urged action against Franco Spain and criticized the Big Four for not reaching agreement among themselves. Unanimity of the Big Five, rather than repeal of the veto power, is his remedy for current difficulties of the U.N.

Though usually genial, Lie sometimes reveals a turbulent temper, which time and diplomacy have not curbed. During his flight from Oslo in 1940, Norwegian troops, with Lie in their midst, surrounded a Nazi road block. The Norwegian commander gave the Germans 10 minutes to surrender. Lie broke into the telephone negotiations and bellowed: "You have five minutes, no more, no less!" The Germans promptly gave up.

A carpenter's son who married a stationmaster's daughter, Lie knew dire poverty in his youth. At the age of 10, he became an office boy for the Norwegian Labor Party to help support his widowed mother. He made his political debut by hauling voters to the polls with a horse and cart. At 16, he was made president of an Oslo branch of the Labor Party. After working his way through law school, he became secretary to the party's national chief.

In 1922, at the age of 26, Lie was appointed legal adviser to the Norwegian Trade Union Federation, a job he held until he became Norway's youngest Cabinet officer in 1935. As Minister of Justice then, he got more laws enacted than any of his predecessors.

As Minister of Shipping later, Lie was the last Cabinet member to leave Oslo when war came. On a scrap of paper torn from a notebook, he wrote the dramatic order that sent 4,000,000 tons of Norwegian shipping scurrying into friendly ports, saving 85 per cent of Norway's merchant marine from the Nazis.

Appointed Foreign Minister in London in November 1940, Lie traveled to Moscow, Washington and San Francisco and cemented Norway's relations with the Russians as well as with the Western powers.

In the hands of a lesser man, the U.N. Secretariat, like that of the League of Nations, would be little more than an administrative organ. Lie is making it a potent force in international politics.

Building on his authority to inform the Security Council of threats to peace, Lie now claims the right to undertake his own investigations of international disputes, make his own recommendations for their solution and appeal at any time to world opinion. Efforts of the Security Council itself to make such inquiries can be blocked by the veto, as in the Greek-Yugoslav conflict recently. But no veto can bind Lie's hand.

Trygve Lie is determined to make his job as Secretary-General of the United Nations exactly what he terms himself—"the servant of the world."

[From Time magazine, Nov. 25, 1946]

IMMIGRANT TO WHAT?

In 1902, a Norwegian carpenter named Martin Lie, leaving his wife and a small son, went off to the fabulous world which Oslo still called new. Driven by the instincts common to migrants of all time in quest of adventure or security or freedom (or simply of wider skies and unfamiliar faces), he sailed toward the west. The hard but hospitable shores received him and he vanished, unknown and untraced, in the fertile chaos of a country's growth. No one ever knew whether he found what he sought. He didn't write home.

Forty-four years later, the carpenter's son Trygve came, with all possible public atten-

tion, to the same shores, driven by the old longing of an intolerably troubled civilization for security and wider skies. He too was an emigrant who had left his country for a new and larger allegiance. Trygve's destination was less substantial than the U.S. of 1902, but not necessarily less important or less noble.

The entity to which Trygve Lie had sworn loyalty was known to the world as the United Nations; no one was quite sure what that meant. Was it a new world, also? Or a legal figment, spinning a web of Whereases and Be it Resolveds between a war and a war?

That, in the fall of 1946, was the world's most fatal question. A large part of the answer depended on the new immigrant himself, but Trygve Lie, sawing and smoothing and (sometimes) hacking brusquely away at tasks immediately before him, was no man to waste time wondering whether he was building Utopia or merely providing material for a footnote on how two civilizations (and some threescore sovereignties) catastrophically clashed.

FORESHADOWINGS

The U.N., in its 13th month of existence, was no longer in acute danger of disruption, as it had been at its first meeting in London, early this year. It now faced the chronic and perhaps more serious crisis of paralysis through the stubborn inflexibility of its component parts. To stave off U.N.'s slow death by deadlock, many people looked to Trygve Halvdan Lie (pronounced Lee), the U.N.'s Secretary-General, its chief administrative officer, the man who stood closer than any other single individual to U.N.'s mechanism, if not to its heart.

Internationalism Lie had known ever since his childhood. He grew up in an exciting era, when the battle for the receivership of the 19th Century had just begun. His mother's boardinghouse in Grorud, near Oslo, was cosmopolitan—Swedish, Finnish, Polish, German, Russian workers paid mother Lie 20¢ a day for room & board. In the evening, around the table, Trygve heard them talk of the Russo-Japanese War, of the abortive Russian revolution of 1905, of Norway's breakaway from Sweden, of syndicalism and the brotherhood of all workers. In those days Trygve Lie also acquired a faith: Socialism. But even then, his faith was tempered—as it would be through all his later life—by a cool, stolid pragratism.

Young Trygve tried to read Marx and Engels, but, says he: "I didn't get very far." (He hasn't yet; Lie's reading is confined almost exclusively to official reports and books directly connected with his work.) At 16, he was a practical local politician, driving voters to the polls in a borrowed sledge. And as Secretary-General of U.N. he once admonished a friend: "Say nothing against local politics. From local politics I came and to local politics I may some day have to return."

His favorite proverb is: "A snuffbox has many sides." Lie has seen many sides of many boxes. Despite his Socialism, he accepted a scholarship from one of Norway's wealthiest men. As Norway's young (39) Minister of Justice, he sent police to maintain order during strikes and at the same time called the strike leaders with a warning: "You must keep quiet; I've just had to send the police over." By the simple device of sticking with the majority, he managed to steer smoothly through the splits of the Norwegian Labor Party when, in 1921, it briefly entered the Communist International. Appointed a member of a Labor Party delegation to visit Lenin in Moscow, Lie was impressed with the honor, but not wholly absorbed in his mission; he took his young wife along for a belated honeymoon trip.

Lie gleefully remembers this junket, which today makes him one of the world's few non-Communist statesmen who saw Lenin plain. Lie recalls sitting at the back of the room as a junior delegate, while Lenin ("eating apples all the time") asked innumerable questions about Norway's vital statistics. Lie frantically produced them from a pocket almanac. In the end Lenin prophesied glumly that as Britain went, so would go Norway.

Forbearance. Lenin was spectacularly correct. When Norway fell to the Nazis in 1940, Lie followed his King to London, where he became Foreign Minister of the Government in Exile, a friend of Anthony Eden, and a great favorite of Allied diplomats. He frequently played tennis with Anthony Drexel Biddle, U.S. Ambassador to the Government in Exile, whose tricky chop and drop shots kept Lie puffing around the court, muttering: "Damn that Biddle! Damn that Biddle!"

[From U.N. World, Feb. 4, 1947]

TRYGVE LIE

(By M. R. Werner)

(NOTE.—In the first complete biography of Trygve Lie, Secretary-General of the United Nations, M. R. Werner tells how a Norwegian labor lawyer, who started life as an office boy, became the "public secretary of the world" and the warden of its society.)

There is one man in the world today who is always on call. When the British claimed that the Albanians had fired on their warships in mine-filled waters of the Corfu Channel, while the Albanians claimed the British ships had no business in those waters, there was only one impartial man to whom telegrams could be sent about the dispute. Conflicting complaints and claims by Greeks, Albanians, Bulgarians, Yugoslavs, Iranians and Indonesians, among others, have to be sent to a fifty year old citizen of the world of Norwegian birth of international repute, whose name is Trygve Lie.

Ten years ago most of the people of Oslo could have told you who Trygve Lie was. Today many people in the United States, the British Empire, the Soviet Union, Latin-America and the Far East can tell you who Trygve Lie is, even though they first began to hear his name in February 1946, when he was elected Secretary-General of the United Nations in London. It was only last spring that people began to learn much about the activities of the world organization of which Lie is both practical administrator and spiritual guide. In that short interval, events have made the man and the man has helped to shape events vital to the peace and security of the world and to the welfare of its two billion and a half inhabitants.

This transformation of a Norwegian labor lawyer and government official into the top-ranking peace worker of the world is a success story in which the success is shaded between the individual himself and the peoples of the world. The post of Secretary-General of the United Nations was created with past failures of the League of Nations in mind. Almost as many reasons are given for the failure of the League of Nations as are given for the rise of fascism and the development of depression. But many people today will agree that one important thing the league lacked was an impartial guide, philosopher and mediator, who could help nations with interests that often conflict to avoid the perils of disputes. The Charter of the United Nations adopted at San Francisco on June 26, 1945 remedied that lack by creating the office of Secretary-General of the new United Nations and by granting to the Secretary-General broader powers than any ever entrusted to one individual in the history of mankind.

The Secretary-General was not only held responsible for acting as public secretary of the world, but was empowered to call to the attention of the United Nations through its permanent board of directors, the Security Council, any matter which in his opinion threatened international peace and security. He was also authorized to call to the attention of the UN's permanent board of human welfare, the Economic and Social Council, any matter which might promote the well-being of the peoples of the world. These are tremendous tasks for one man, and yet only one man, with expert assistance, could effectively perform them. The problem became one of finding the right man.

When the General Assembly of the United Nations opened its first session at Central Hall, Westminster, London, in January 1946 it had to find a president for itself as well as a secretary-general. These two posts were clearly recognized as the two leading jobs in the new one world, and there were various candidates for both of them, backed by various governments of different ideologies. The leading candidates for President of the General Assembly were Paul-Henri Spaak, Foreign Minister of Belgium, and Trygve Lie, Foreign Minister of Norway. The American Ambassador to Norway had approached Lie some time before about taking the post of President of the General Assembly, and Lie was pleased at the prospect. Great Britain and its close friends preferred Spaak, or someone from the Netherlands. The Soviet government had no strong candidate of its own, but it had no important objections to Lie. After considerable back-stage manipulation, the presidency of the General Assembly went to Spaak, but Lie got 23 votes to Spaak's 28, showing that the voting was not at all along lines of west vs. east, or vice versa.

When the United Nations began organizing, it was generally considered that the President of the General Assembly would be about the most important man in the world, and Lie was said to be disappointed that he didn't get the job. As things have turned out, his disappointment turned into an advantage, for the Secretary-General, being continuously active instead of presiding over the General Assembly only once a year, has become the key job in the United Nations. In the jockeying for the post, the United States and Great Britain had originally put forward Lester B. Pearson, Canadian ambassador to the United States, and the Soviet Union had put forward Stanoje Simitch, Yugoslav ambassador to the United States. The Soviet Union was opposed to anyone too closely allied with the western sphere of influence, and the United States and Great Britain were opposed to anyone too closely allied with the eastern sphere of influence. Finally, Edward R. Stettinius, head of the American delegation, suggested Trygve Lie, of Norway, and the Security Council agreed unanimously to nominate him to the General Assembly, where he was elected on February 1, after a secret ballot by a vote of 46 to 3.

On Saturday, February 2, 1946 Trygve Lie, a stout, genial-looking man, not very well known to the delegates of the 51 nations present, appeared on the platform at Central Hall, flanked by the seven vice-presidents of the new General Assembly, and the presidents of the Security Council and the Economic and Social Council. He took an oath of office which not only called for "loyalty, discretion and conscience" in carrying out his functions as Secretary-General, but enjoined him to discharge those functions "with the interests of the United Nations only in view, and not to seek or accept instructions in regard to the performance of my duties from any Government or other authority external to the Organization." After swearing him in, Paul-Henri Spaak, President of the General Assembly, gave Lie his recipe for success of the Secretary-General: "You will be firm without instransigence; you will be conciliatory without weakness; you will be impartial without exception." He also advised Lie "never lose contact with reality."

There is very little danger that Trygve Lie will ever lose contact with reality, for ever since childhood he has coped with real problems in a country which combines national realism with international aspirations. Nor-

way, midway between west and east ideologically and geographically, had intimate contacts with internationalism through the League of Nations. Fridtjof Nansen, one of its subjects, was perhaps the leading citizen of the world after the last war, and took the most active part in repairing the human devastation it caused to displaced persons. One reason that a Norwegian subject was chosen Secretary-General of the United Nations was that the problem of selection was almost a mathematical equation, and the answer was a social democrat with affiliations that were neither too close to western capitalism nor eastern communism. That seemed to spell a Norwegian Labor Party man.

Trygve Halvdan Lie was born in Oslo on July 16, 1896. His father, Martin Lie, was a carpenter, and his mother kept a boarding-house in Grorud, the Oslo suburb where the family lived during Trygve's childhood, and where his father was station-master until his death when Trygve was a small boy. While getting his education, Trygve worked as an office boy at the Norwegian Labor Party headquarters in Oslo, which brought him into early and intimate contact with the growing Norwegian labor movement. He also managed to keep up active interest in sports and once remarked that he was practically born on skis. Lie became president of the Aker branch of the Labor Party at the age of sixteen, while he was still in high school, and kept both that post and the job as office boy when he entered the law school of the University of Oslo in 1914. After his graduation from law school in 1919, Lie was appointed secretary in charge of administration of the Norwegian Labor Party. He was then twenty-three years old, tall, slim, powerful and good-natured.

In 1921 Lie went as a sort of supply sergeant and general handyman to a labor delegation from Oslo on a visit to the Soviet Union. He took along Hjördis Jörgensen, the girl he had recently married. She also held office in the Norwegian Labor Party, and the two of them attended to the eating and travel arrangements of the mission, cooking its food on a Primus stove in a railroad car. Russia was in the throes of a food shortage and was still endeavoring to protect its revolution from counter-revolutionary invasions. The members of the mission called on Lenin in the Kremlin. Lie sat in the back of the room, as became a young assistant, but he watched everything eagerly. Lenin asked many questions about Norway's natural resources, which Lie's superiors could not answer. Pulling out his pocket almanac, Lie quickly supplied the answers.

He recalls that one member of the mission who was eager for the world revolution, and who later left the Norwegian Labor Party in his impatience and became a follower of Leon Trotsky, asked Lenin when he thought the revolution would come in Norway. Lenin looked at him sharply, went over to a map on the wall, pointed to England and said: "As England goes, you go." In Norway the prestige of the Soviet Union has always been high, though the interest in communism for Norwegians has never been great; Norwegians, generally, recognize, however, that the Russian Revolution had at least as much significance for the world as the French Revolution.

Trygve Lie became a specialist in labor law soon after he began to practice, and he never had any other clients except labor people. One of his tasks was to defend Norwegian pickets who went into the woods pretending to be on hunting expeditions and "accidentally" brought down strike-breakers. Lie managed to get some of them off in court. He himself has always been an ardent hunter and is a crack shot, but there is no evidence that he ever bagged a strike-breaker.

While studying labor law and practicing it, Lie rose steadily in the hierarchy of the Norwegian Labor Party. His conciliatory spirit, amiability and interest in working hard and managing the practical problems other men sometimes like to avoid, stood him in good stead. He became president of the party's regional branch in the province of Akershus, in which Oslo is located, and legal adviser to the Trade Unions Federation, fighting its cases constantly in court and advising it on its many legal problems. In addition to his law work and his political activity, Lie wrote two books, "The Anti-Labor Laws and the Battle Against Them," and "The New Labor Arbitration Law." He also took part in Oslo municipal politics and was a member of the city council. Since he has become Secretary-General, he has told a friend: "Say nothing against local politics. From local politics I came and to local politics I may some day have to return."

From local office-holding in Oslo Lie graduated to national office when the Norwegian Labor Party came into power for the second time on March 20, 1935. He then became Minister of Justice in the government headed by Johan Nygaardsvold. The Labor Party had a hard time keeping a majority in the Storting, and there was an election coming up on October 19, 1936. Meanwhile, Leon Trotsky who was put out of France, was granted asylum in Norway. He and his friends had pleaded with the Norwegian Labor government to grant him asylum on the grounds that he was very ill and did not have long to live. Trygve Lie, as Minister of Justice, was responsible for Leon Trotsky's good behavior, and the warrior of world revolution had promised not to engage in political activity while he lived in Norway, for such activity might get the Norwegian government into embarrassing difficulties with the Soviet government.

But to ask Trotsky to refrain from political activity for the world revolution was like asking fish to give up swimming. The Labor government learned that Trotsky was up to his old tricks, and Lie sent for him. He was brought to the Ministry of Justice in great secrecy and surrounded by guards. Lie, who likes to deal fairly and pleasantly with every one, politely warned Trotsky. He explained how crucial it was for the Labor Party to win the coming election, in which the Conservative opposition was using Trotsky's presence in Norway as a campaign argument to show that the Labor Party was a gang of "Reds." Trotsky replied arrogantly: "I don't give a damn about your Labor Party. In five years you will all be exiled." Trotsky was later expelled from Norway, but not at Lie's suggestion. The Prime Minister felt that Trotsky had lied to the Labor ministry about his health. He had promised that he was dying and had failed to die. Lie always a manager of practical details, had to supervise Trotsky's secret journey to Mexico.

Lie served as Minister of Justice until June 1939, when he was made Minister of Commerce. When a war broke out in September, he was appointed Minister of the new Department of Shipping and Supply. In this office he showed abilities he has manifested many times, arranging the practical housekeeping of government or a group. This time large-scale hoarding was involved, and Lie worked day and night to build up supplies for Norway and hid much of them in ships in the northern fjords. When the Nazis attacked Norway on April 9, 1940, it was estimated that Lie's efforts had given the country at least three years' food supplies. Though the Germans got some, Norwegians under occupation lived better than some other occupied countries because of Lie's foresight.

After the German invasion, the Storting, before adjourning, designated the Nygaarsvold Cabinet the official governing body of Norway and empowered it to continue the fight from outside the country if necessary. Lie accompanied the government and the King during the two months of fighting within Norway which took place before the government was forced to flee the country or face capture by the Nazis. During those two months the population, though it was intensely patriotic, was frightened when the King and the government came to town, for Nazi air raids followed them. Lie had the job of helping to calm fears and of obtaining housing and supplies for the government and royal party. On the walls of Lie's office at Lake Success are two quiet engravings. One is a portrait of King Haakon, whom Lie admires very much. The other is of Fridtjof Nansen.

Before leaving Norway with the King and the government, Lie sat in a mountain cottage in a village in the Romsdal valley and drew up a regulation requisitioning the more than four million tons of Norwegian shipping, 85 percent of the Norwegian merchant marine, which had not yet fallen into Nazi hands. This four million tons of shipping was a good bargaining advantage when Lie went to see Winston Churchill after the Norwegian government-in-exile established itself in London in June 1940. Churchill was impressed with the amount of Norwegian tonnage and in return for the right to use it he asked what the British could do for the Norwegians. Lie requested uncensored use of BBC radio facilities to Norway, and he and other Norwegian leaders were thus able to give their radio instructions and appeals to the underground and the population in general unrestrained by the British government's own policies.

On February 21, 1941 Trygve Lie became Minister of Foreign Affairs of the Norwegian government-in-exile, after the resignation of Halvdan Koht. As Foreign Minister he made trips to Washington to consult President Roosevelt and became a close friend of the late Harry L. Hopkins, from whom he got American planes for Norwegian fliers being trained in England. He also paid courtesy calls on Marshal Stalin during the war. As Foreign Minister he always managed to ride deftly between the Scylla of the west and the Charybdis of the east. When liberation was near for Norway, Lie negotiated the agreement on administration during the liberation period, and he was careful to have it signed simultaneously in Washington, London and Moscow so that there could be no hard feelings as well as no misunderstandings. Relations between Oslo and Moscow have remained cordial, for the Red Army, after helping to liberate Norway, left as soon as possible without any controversy about its departure.

Lie headed the Norwegian delegation to the San Francisco conference at which the Charter of the United Nations was drawn up. He was chairman of Commission III which drafted the sections on its most important organ, the Security Council, with which he now works so closely. From San Francisco Lie went in May 1945 to London with C. J. Hambro, president of the Storting, and arranged for quick shipments of food and clothing to liberated Norwegians. Again his ability as a manager of practical details was called into service.

When the government-in-exile returned to its capital on June 12, 1945, Lie was one of the happy ministers who were cheered by an enthusiastic populace which respected the achievements of its exiled leaders, who were regarded as the most enlightened government-in-exile in England. The Labor Party won the elections of October 1945 by a landslide vote, and Lie became Foreign Minister in the Cabinet of Einar Gerhardsen. He headed the Norwegian delegation to the first General Assembly of the United Nations in London in January 1946 before being elected Secretary-General.

Lie's term of office is five years, and he can be re-elected. He gets a salary of $20,000 a year, tax exempt, and another $20,000 a year for expenses, as well as a house. He lives with his wife and two younger daughters at 123 Greenway North, Forest Hills, Long Island, a 14-room house which used to belong to Albert Phelps Armour, and which the United Nations has leased for him for three years.

The elder daughter, Guri, 21, studies at Columbia University. Mette, 15, attends a girls' preparatory school. Mette was left behind in Norway by a misunderstanding during the flight of the government in 1940 and spent four years under German occupation living with an aunt in Oslo, before the underground could get her to London. There were some fears for her safety because of her father's vigorous broadcasts urging resistance to the Nazis. Sissel, Lie's oldest daughter, now married and living in Oslo, was secretary to the Norwegian delegation to the San Francisco conference. Guri was secretary to the delegation at the General Assembly meeting in London.

THE MIND OF AN ASSASSIN

(By Isaac Don Levine)

BACKGROUND

It was late in the afternoon of August 20, 1940. Leon Trotsky sat at his desk in the study of his fortified villa on the outskirts of Mexico City. Within his reach was the switch to an alarm system, but at that moment a young man of twenty-seven stood between him and the switch. The young man has told, in memorable words, what then happened:

"I put my raincoat on the table on purpose so that I could take out the ice-axe which I had in the pocket. I decided not to lose the brilliant opportunity which was offered me and at the exact moment when Trotsky started to read my article, which served as my pretext, I took the *piolet* out of my raincoat, took it in my fist and, closing my eyes, I gave him a tremendous blow on the head . . .

"The man screamed in such a way that I will never forget it as long as I live. His scream was *Aaaa* . . . very long, infinitely long and it still seems to me as if that scream were piercing my brain. I saw Trotsky get up like a madman. He threw himself at me and bit my hand.—Look, you can still see the marks of his teeth. Then I pushed him, so that he fell to the floor. He lifted himself as best he could and then, running or stumbling I don't know how, he got out of the room."

Trotsky's chief guard, who was in the next room, has described what followed: "The Old Man stumbled out of his study, blood streaming down his face. 'See what they have done to me!' he said." Shortly afterward he lapsed into unconsciousness.

"See what *they* have done to me!"

They, as Trotsky knew in the last moments of his life, were the planners whose patient, ingenious, and painstaking efforts over four years had finally achieved their goal—his murder. . . .

THE ASSASSIN AND HIS MOTHER

No, our philosophical executioner is a rationally indoctrinated murderer, the product of the age of reason at its dead end. He is a monument to the school which makes a religion of politics. He is, like Stalin himself, a mockery of the communist philosophy of economic determinism, that super-rational theory which negates the role of the hero in history. He is a scientist of the kind to whom all life is matter. In this philosophical executioner modern man, the bearer of a 4,000-year old spiritual heritage, has produced the pioneer of a line of soulless monsters, the harbingers of a coming race.

In August, 1936, one month after the outbreak of the civil war in Spain, the first of an infamous series of purge trials was staged by Stalin, with Trotsky as the chief defendant *in absentia*. To no one's surprise, it came to a close with the conviction of Trotsky and his son, Leon Sedov. "They were sentenced to death by the Moscow court," wrote Natalia Sedova, the wife and the mother of the two doomed men. And on a later occasion she added: "Since the first Moscow trial, i.e., for more than three years, we have been waiting, with sure inner knowledge, for the assassins."

Stalin struck his first ominous blow at Trotsky while the latter was living in great secrecy in Norway. The Kremlin's ambassador demanded Trotsky's expulsion from the country, and the Norwegian government quickly went into action. In 1936 its Minister of Justice was none other than Trygve Lie, the man who a decade later emerged as a world figure in the post of the first Secretary General of the United Nations. Incidentally, this honor came to him after the Soviet delegate had first proposed that Trygve Lie be elected President of the General Assembly by acclamation (upon waiving the secret ballot requirement).

To Trotsky, one of the founders of the Communist International, Trygve Lie was no stranger. Lie had visited Moscow in 1921 and, according to Trotsky, had been identified with the Comintern in its early days. At that time Trotsky was at the height of his glory as the victorious war lord of the Red Army. Now Trygve Lie, as Norwegian Minister of Justice, faced Trotsky at bay and presented to him, immediately upon the conclusion of the Moscow trial, a demand that he voluntarily sign a statement submitting his mail to censorship and that he stop writing on current events. Trotsky saw in Lie's proposal a scheme of Stalin's to gag him, and proposed that he be given an open trial in Norway to establish his innocence and to expose Stalin's judicial frame-up.

On August 26, two days after the Moscow announcement of the verdict at the purge trial, Trotsky addressed a letter to Trygve Lie which had been suppressed in Norway but was later published in the United States.[1]

"To refrain from bringing me to trial before a Norwegian court," Trotsky wrote, "and at the same time to rob me of the possibility of appeal to public opinion on a question that concerns myself, my son, my whole political past, and my political honor, would mean to transform the right of asylum into a trap and to allow free passage to the executioners and slanderers of the GPU."

Trygve Lie insisted that Trotsky submit to being muzzled.

"If you intend to arrest me," Trotsky told Lie, "why do you want me to authorize you in that act?"

"But there is an intermediate step between arrest and full liberty," retorted Trygve Lie.

"That's either ambiguous or a trap. I prefer arrest," replied Trotsky.

The Minister of Justice obliged Trotsky at once. First Trotsky's secretary was expelled from Norway. Then Trotsky and his wife and all their belongings were transferred to a large country house at Sundby where they were installed on the second floor. The ground floor was occupied by a squad of fifteen policemen. No visitors were allowed and the Trotskys could not leave the grounds. For the first time since the summer of 1917, Trotsky found himself in prison.

This was the beginning of the drama which was to reach its criminal climax in Mexico four years later. And contributing heavily to the initial blow which Stalin inflicted upon Trotsky was the hand of a leading American communist, Louis F. Budenz, then editor of *The Daily Worker* in New York. Budenz was destined to play in other ways a key role in the backstage preparations for the assassination of Trotsky, according to his own voluntary testimony.[2] As Budenz tells the story, the ground for the Soviet pressure upon Norway was confidential information he had supplied to "Roberts," his superior in the underground, a top Soviet secret agent in the United States. Budenz reported that a former colleague of his, the prominent left-wing pacifist, the Rev. A. J. Muste, had visited Trotsky in his Norwegian hideout early in June, 1936, and that Trotsky had discussed with him plans for the violent overthrow of the Soviet regime. The highly reliable Rev. Muste states, however, that no such discussion had ever taken place and denies having had any conversation with Budenz upon his, Muste's, return from Norway. There can be no dispute over the fact that Budenz did make such a report, even if it stemmed from second-hand sources, for we have it on the authority of Budenz himself in the form of an affidavit. Budenz went further and disclosed that "Roberts" had subsequently acknowledged his collaboration in these words: "This information had been of great value in private representations made by the Soviet Union to Norway . . . that Trotsky was using Oslo as a base to attack Soviet Russia."

Finding himself under house arrest at a time when world public opinion was reverberating with the melodramatic challenges of the Moscow show trial, Trotsky "raged like a caged tiger," his wife Natalia wrote later. "Delayed newspaper accounts of the then famous first of the Moscow-staged trials, his inability to answer it and expose the lies, were the greatest torture. . . ."

Several times Trygve Lie came to see Trostky and, according to the latter, their exchanges were "not remarkable for excessive courtesy." Trotsky had since his youth admired Ibsen and had written glowingly of him. Trygve Lie reminded Trotsky of Burgomaster Stockmann, one of the unsavory characters in Ibsen's *An Enemy of the People*. Trotsky quoted to Lie the line by the Burgomaster's brother when he was being suppressed for the disclosure that the prosperity of his native town was built on polluted mineral baths: "Now we shall see whether baseness and cowardliness can stop the mouth of a free and honest man." To this insult Trygve Lie replied:

"Do you imply that I am Burgomaster Stockmann?"

"To make out the best case for you, Mr. Minister," said Trotsky, "your government has all the vices but none of the virtues of a bourgeois government."

"We committed a stupidity by granting you a visa!" Trygve Lie exclaimed to Trotsky in the course of his next call.

"And are you preparing to rectify this stupidity by means of a crime?" Trotsky challenged Lie.

During the months of his detention, Trotsky's friends and political admirers were frantically trying to obtain for him permission to take up residence in some other country. No European government would admit him. One of Trotsky's admirers was the famous Mexican painter, Diego Rivera. He approached President Cardenas of Mexico with the request that Trotsky be given asylum there. Cardenas readily granted the request.

When the good news reached Trotsky by cable, he sent this message to Trygve Lie through his police escort:

"Kindly inform the government that my wife and I are ready to depart from Norway at the earliest possible moment. However, before applying for a Mexican visa I would like to make arrangements for a safe voyage. I must consult my friends. . . . With their assistance I shall be able to secure an escort, and to assure the safety of my archives."

Trygve Lie, recorded Trotsky in his journal, "was obviously staggered by the extremism of my requests."

"Even in Czarist jails," Trotsky told him upon his arrival the following day, "the exiles were allowed to see their relatives or friends in order to arrange their personal affairs."

"Yes, yes," replied the Minister of Justice philosophically, "but times have changed. . . ."

Lie took pains to secure the Mexican visas for the Trotskys, and proceeded to make the transportation and security arrangements to get them safely out of Norway as soon as possible.

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[1] *The Nation*, New York, October 10, 1936.

[2] American Aspects of Assassination of Leon Trotsky. Hearings before the Committee on Un-American Activities, House of Representatives. July–December, 1950. Also, Louis F. Budenz, Hearings before the same Committee, November 22, 1946.

Out of the Spanish inferno came the manhunters who eventually caught up with and sealed the fate of Trotsky in faraway Mexico. The Spanish civil war had in that summer of 1936 burst into a conflagration involving the intervention of Hitler, Mussolini and Stalin, and threatening to develop into a world war. Since the Spanish Republic had a Popular Front government, communist, socialist, revolutionary and other anti-fascist elements from all corners of the earth rallied to its support. Spain became a symbol of the struggle against fascism, but behind the main front another civil war was silently being waged in the Republican ranks. Stalin, whose Spanish policy was calculated to appease Hitler and Mussolini ordered his gunmen in Spain to launch a campaign of extermination of all dissident revolutionaries and libertarians who were branded as Trotskyites. Under the protection of a government which depended upon Stalin's favors, his executioners began their purge.

Even before the Trotskys departed from Norway, a delegation of Spanish communists set sail from Barcelona bound for Mexico. The leading member of this mission traveling on the *Manuel Arnuz* to the Caribbean was a woman of striking appearance whose destiny was to be inseparable from that of Trotsky. She was Caridad Mercader, the 44-year-old mother of Ramon, the future assassin.

SERIES ON "LAW AND ENVIRONMENT"—PART V

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, the fifth article in the Christian Science Monitor series on "law and environment" is concerned with the next generation of anti-pollution and environment-concerned citizens. More specifically, those who we pray will be leading the fight in future years—graduates of our law schools. There is growing evidence to show that young lawyers are more concerned with the great public questions; should the trend continue—and we hope it does—a body of environmental law will develop more rapidly than current trends indicate.

Present-day conservation-minded lawyers can help produce tomorrow's leaders by encouraging law schools to establish relevant course work. I know it sounds pretentious to call for the "institutionalization" of environmental problems, but then, how else will we find the legal talent for the confrontations ahead? If we are brutally frank with ourselves, we will admit that the battle over the proper use and/or control of our environment will get fiercer as technology expands, and that it will take men better prepared than we were to engage in future legal controversies.

Such training, and the opportunities in the field of "environment law" were on the agenda of the recent Arlie House conference upon which the series is based.

The article follows:

[From the Christian Science Monitor, Oct. 16, 1969]

LAW STUDENTS SHUN WALL STREET TO WORK FOR WIDER GOALS

(By Robert Cahn)

WASHINGTON.—A number of law school professors and public-interest crusaders such as Ralph Nader are urging young lawers to get themselves actively involved in the movement for a better environment.

"A lot of law students today don't want to go to work on Wall Street," James Krier of the University of California at Los Angeles law faculty told participants at the first Conference on Law and the Environment held recently in Warrenton, Va. "They don't want to go to work for big Washington firms, or for conglomerates. They really want to go out and take on a lot of those kinds of interests, and they can do it very, very well."

It may not have been exactly what Mr. Krier had in mind, but a short time after the conference a group of young law students in Washington literally "took on" one of the town's major law firms.

The group, organized under Ralph Nader, who had been a participant at the law and the environment conference, picketed the offices of Wilmer, Cutler & Pickering.

CONCERN DRAMATIZED

The law students through their ad hoc Committee on Motor Vehicle Air Pollution and the Law said they were dramatizing their concern over the role of the law firm's representation of the Automobile Manufacturers Association. The Justice Department, after filing an antitrust complaint in January against the association alleging engagement in a conspiracy to retard development of automobile pollution-control devices, accepted a consent decree in September.

The protesting law students challenged the firm for using its influence to avoid trial. In their resolution, the students said they had been taught that the attorney is the "keeper of his client's conscience" and that the "public is the lawyer's first client."

If the firm does not agree to the students' request to try to convince the client to have a public trial, said student leader Robert Sweben, "then the public will begin to understand why major law firms throughout the country are encountering ever-increasing difficulties in hiring young law graduates, many of whom are raising similar questions concerning the ethical standards of their future colleagues."

Most lawyers would not concur with actions such as picketing or confronting a law firm with a resolution. And they would disagree with Mr. Zweben's statement, arguing perhaps that the Automobile Manufacturers Association is entitled to the lawyer of its choice, as are environmental groups in their cases. Yet the protest served to illustrate one of the issues most discussed at the Conference on Law and the Environment—the changing attitudes of law students and young lawyers.

Direct involvement by lawyers in environmental cases sometimes raises ethical problems, said Rep. Paul N. McCloskey Jr. (R) of California, who is a lawyer. Lawyers may be violating the old canon of ethics by doing such things as inventing causes of action, taking part in fund raising, or calling a press conference to publicize a cause, Representative McCloskey said.

CANON CHALLENGED

Many of the conference participants felt that the old canon of ethics is outdated and reflects a set of social and political conditions that no longer exists. The lawyers working today for environmental clients often have difficulty with the burden of proof, standing in court, raising funds, or having their lawsuit taken seriously by industry or governmental agencies. Thus the lawyers may find it necessary to advise their clients in fund raising, deal directly with the press, or otherwise be involved in nonlegal aspects of a case.

The current law-school student interest in the environment and the encouragement to specialize in environmental law raise a problem for the young graduate because the opportunities to make a living in this field are still sparse.

Several conference participants pointed out, however, that the graduating lawyer would have more opportunity for employment and a better chance to work in environmental causes if the law school furnished him with a background in biology and other scientific sciences as well as in resource and urban planning.

A course in "Ecology and Public Policy" should be taught in all law schools, it was suggested.

NATIONAL DAY OF PRAYER

(Mr. BUCHANAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BUCHANAN. Mr. Speaker, the Congress, by joint resolution of April 17, 1952, provided that the President "shall set aside and proclaim a suitable day each year, other than a Sunday, as a national day of prayer on which the people of the United States may turn to God in prayer and meditation at churches, in groups, and as individuals." Such a day is quite appropriate in the life of this country since America was founded on the ethical and moral principles embodied in the Judeo-Christian tradition.

America's greatest strength lies in the faith and religious commitment of her people. "In God We Trust" must remain more than a mere motto for the people of America if our country is to remain strong and free.

This year, President Nixon, by proclamation on October 8, set aside Wednesday, October 22, as our National Day of Prayer. In his proclamation, the President asked that "on this day the people of the United States pray for the achievement of America's goal of peace with justice for all people throughout the world."

In observance of this day it was my privilege, along with a number of my colleagues who regularly attend the House and Senate prayer breakfast meetings to attend a prayer breakfast at the White House with Dr. Billy Graham. The remarks of both the President and Dr. Graham, together with prayer led by the Honorable DEL CLAWSON of California, were of great inspiration to those assembled.

The one prayer on the lips of all mankind, of whatever religious persuasion, should be a prayer for peace with justice and a prayer for those in places of high responsibility in our land.

The President is to be commended for setting aside this day and it is my hope that all men everywhere shall benefit from its observance.

SO-CALLED NONGASSY MINES—THEIR GRIM FATALITY AND INJURY RECORD

(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 am pleased that when we debate coal mine health and safety the committee's bill, H.R. 13950, eliminates the distinction between a gassy and a "nongassy" mine. This endorses the con-

clusion which the Bureau of Mines first made as long ago as 1926 that "all mines are potentially gassy." Unfortunately, however, the bill provides too much time for the so-called nongassy mines to make all electric face equipment permissible or spark proof.

In the case of large electric face equipment, the bill gives the operators of the large gassy mines—like Consolidation Coal Co. and the captive mines of United States Steel and other big steel companies—and the small gassy mines up to 28 months to make this equipment permissible—see section 305(a)(1) of H.R. 13950, page 72. They have already had 17 years. If the equipment was in use in the gassy mine before the 1952 act or before the date the mine was classified as gassy, whichever is later, the operator can continue to use this dangerous grandfathered nonpermissible equipment. With the record of ignitions and resulting deaths and injuries so unconscionably high, this 28-month extension is too long. The period should be no more than 15 months.

THE 51 MONTHS OF GRACE

Even worse, the bill gives the operators of small and large so-called nongassy mines, in the case of such equipment, a full 51 months after enactment to obtain this equipment. If they fail to act, then the Secretary may waive this requirement in a mine-by-mine basis for 2 years if he determines that such waiver is "warranted"—see section 305(b)(1) of H.R. 13950, page 73. Thus, the operator can sit on his hands and do nothing for 51 months, then get a waiver for 2 years. Despite the statement in the committee's report that the committee "intends that the Secretary use his discretion in determining if such waivers are warranted for mines requesting them, but expects his first consideration to be the availability of permissible replacement equipment," the bill does not require this finding until the Secretary reaches the end of the 6 years and 3 months when he can, on a mine-by-mine basis, grant further waivers if the equipment "is not available to such mine"—see page 73, section 305(b)(1).

6 YEARS PLUS

Thus, the operators of large and small nongassy mines have been given, at least 6 years, and a further indefinite period to comply with this requirement. In the meantime, the miner is subjected for this indefinite period to the hazard of a gas ignition and possible death or injury. Again, the rule that governs here is not the life of the miner and what his loss means to his family, but purely and simply economics. Which is more precious? Money, or a man's life?

Let me review the facts, the record, and what I believe to be the proper approach to this problem—one that places life first, but recognizes that everything cannot be done overnight.

Since January 1941, 1,142 miners have been killed and 965 have been injured in the 683 underground coal mine ignitions or explosions which have been reported to the Bureau of Mines. These ignitions and explosions have been among the major causes of death and injury to coal miners.

THE DANGERS OF METHANE

First, let us understand the hazardous nature of methane gas. Explosive mixtures are formed when the methane concentrations in the mine atmosphere range from 5 to 15 percent. The energy required for ignition is extremely minute.

When methane gas is present in a coal mine, in sufficient quantities, a frictional spark such as one emanating from a motor on a piece of equipment, or one caused by metal striking rock, or even one caused by the flint of an ordinary cigarette lighter, can provide the energy necessary to ignite the methane with the resulting ignition and explosion and death and injury to the miners. The potential for an explosion can increase with the presence of coal dust suspended in the atmosphere. As the amount of coal dust in the atmosphere increases, the amount of methane needed for an explosion may decrease to much less than 5 percent.

WHAT THE 1952 ACT REQUIRES

In 1952, Congress, in recognizing the importance of preventing methane ignitions and explosions, established some measures designed to prevent the accumulation of methane in explosive quantities and to eliminate the sources of methane ignition. Although the measures required by the 1952 act are deficient, that act does require that—

All mines must ventilate the working places;

In gassy mines, air passing through an abandoned area which cannot be inspected cannot be used to ventilate the face;

In gassy mines, preshift examinations for methane must be made 4 hours before the shift, and in nongassy mines, once a day;

Pillar workings in gassy mines must be tested for methane before a roof fall is made;

Rock dusting be used to prevent propagation of explosions;

Electric face equipment and junction and distribution boxes in gassy mines, with some exceptions, must be permissible, and trolley and feeder wires cannot extend beyond the last open crosscut;

Smoking and open flames in gassy mines be prohibited;

Tests for methane be made after blasting; and

The drilling and sealing of oil and gas wells be done by the owners thereof under State laws.

DID 1952 ACT SUCCEED?

Were these provisions successful in reducing these ignitions? Let us look at the record again.

Since enactment of the 1952 act through June of this year, there were 454 methane ignitions and explosions in underground coal mines. This is almost double the 229 ignitions and explosions that occurred during the 1941–52 period. These pre-1952 ignitions and explosions killed 401 miners and injured 501. Although fewer miners have been killed and injured in methane ignitions and explosions since 1952, it is scarcely a record to cheer about.

The causes of these ignitions are legion. They are: Smoking, the use of matches to light explosives, the improper use of explosives, the flame safety lamp, trailing cables, locomotives, welding, and numerous other causes, as the following table shows:

Ignition source	Number killed	number injured	Number of ignitions and explosions
Explosives	44	63	43
Electrical equipment (either nonpermissible or in nonpermissible condition)	43	88	52
Smoking and open flames	13	46	55
Locomotives	10	18	22
Trailing cables	9	18	21
Flame safety lamp	5	25	17
Miner bits	3	141	156
Multiple source	135	19	13
Not determined	83	14	15
Miscellaneous	60	58	55
No data available	0	4	1

ADEQUATE SAFEGUARDS MUST BE PROVIDED

From this shocking record, it is clear first, that the safeguards in the 1952 act were inadequate to control methane before it reaches the explosion stage in all mines and, second, that the requirements of the 1952 act did not eliminate the causes of methane ignitions and explosions. Greater safeguards are needed in this area. Halfway measures are no longer acceptable. We must control the methane and we must eliminate the causes. Accordingly, the bill—

Requires that all mines be mechanically ventilated and that the ventilation equipment be inspected daily;

Increases the minimum quantity of air reaching the face workings;

Requires the use of brattice cloths or other approved devices to improve ventilation at the face;

Increases the frequency of testing for methane;

Prohibits, in ventilation of face workings, the use of air that passes through an abandoned area that is inaccessible or unsafe for inspection;

Requires sealing or ventilating by bleeders of abandoned areas or areas where pillars have been removed;

Requires Federal inspectors at especially hazardous mines;

Improves present standards relative to rock dusting to prevent propagation of methane ignitions;

Prohibits the use of open flames and smoking;

Provides greater protection in the use of trailing cables;

Requires continuous testing for methane while welding;

Provides greater safeguards in the use, storage, and transportation of explosives;

Requires that operators make more diligent searches for oil and gas wells, and that operators provide and maintain larger barriers around such wells; and

Requires that flame safety lamps be approved and properly maintained at each mine in accordance with specifications to be prescribed by the Secretary.

In addition to these very detailed and comprehensive safeguards included in this bill, there are two other causes of ignitions that arouse considerable concern.

SPARKS FROM CONTINUOUS MINER

First, sparks from the bits of the continuous miner and from the cutting

machine. There have been 155 such ignitions since 1952, many of which have occurred since the late 1950's. These have killed three and injured 141.

Unfortunately, the technology here is not very advanced. I am informed by the Bureau of Mines that a device to suppress these ignitions as they occur is now being developed and should be available very soon. To accelerate this process, the bill directs the Secretary to act promptly on this research and to require such a device as soon as possible. Also, immediate attention must be given to complete prevention of these ignitions.

FLAME SAFETY LAMP

At this point, I might also dwell on the flame safety lamp problem as a device to measure and detect methane, it is not satisfactory. Miners using this lamp, despite claims to the contrary, are unable to measure the methane in the mine atmosphere at the low percentages required either in the 1952 act or in this bill, except under ideal conditions which may exist in the laboratory but are not found in the mines.

These lamps give different readings to different people. Their accuracy also depends on whether they are properly set by the men who use them and that setting is necessarily being changed all day long.

So, as I have indicated, research is necessary. Furthermore, the record is clear that flame safety lamps, in many instances, are not properly maintained. Indeed, since 1952 there have been five miners killed and 24 injured in 17 ignitions caused by flame safety lamps. This emphasizes the need to maintain these lamps properly each day. And this is required under the definition of the term "permissible" in section 318(c)(1) of H.R. 13950, although I believe a specific provision on this lamp is desirable.

RESEARCH ON METHANE DRAINAGE

One promising area of research now underway in the Bureau to control methane, is a program of methane drainage, in advance of mining. The potential of this research is great and the bill directs that it, too, be accelerated with primary emphasis on safety aspects of the research.

Further, the bill contemplates that additional measures will probably be needed in the future to control methane and prevent methane ignitions and explosions. The research programs just mentioned and other efforts of the Bureau of Mines in this area, if fruitful, will form the basis for action by the Secretary to promulgate additional regulations on this subject.

ELECTRICAL FACE EQUIPMENT

Now, we come to the major problem—electrical face equipment and the nongassy classification.

The bill follows the recommendation of the Department of the Interior that mines, whether classed as gassy or nongassy under the current law should be treated alike, in providing these new and additional safeguards to control methane and prevent ignitions.

Since 1952, the Federal Coal Mine Safety Act, as amended, has contained special provisions allowing the use of electric face equipment which is not spark proof—that is, has not met the standards of the Bureau of Mines—in mines that have never had an ignition or have never been found to have methane of more than 0.25 percent. In addition, the act has specifically provided that many of these particular safeguards, such as the frequency of preshift examinations, and the prohibitions of smoking and the use of open flames underground applied to only one class of mines; namely, those which have had methane ignitions or in which there was methane of 0.25 percent or more.

SPECIAL TREATMENT FOR NONGASSY MINES

Thus, the so-called nongassy mines—again those that have never had an ignition or have never been found to have methane of more than 0.25 percent in the mine atmosphere—have received special treatment under the premise of the 1952 act that a mine need not adopt special measures to control methane and prevent ignitions until there was "evidence of gas." I believe, however, that, based on the record, this premise was not valid. The committee shared my view and reached the decision to treat all mines alike.

The principal opposition to this uniform treatment of all underground coal mines came from the small nongassy mine operators, particularly those from eastern Kentucky, southern West Virginia, Virginia, and Tennessee. These operators, who want the special treatment for nongassy mines under the 1952 act continued, objected primarily to the requirement in the bill that large electric face equipment in these mines must be made permissible—that is, sparkproof.

CONTENTIONS THAT SMALL MINES MAY CLOSE

These small, nongassy mine operators, who produce less than 8 percent of the Nation's coal and employ between 15,000 and 20,000 employees contend that this requirement will be costly to the operators of these mines and cause many of them to close their mines. They further contend that the history of gas being detected in these mines, either by ignition or air analysis during inspections, does not warrant such a requirement.

NUMBER OF GASSY AND NONGASSY MINES

Based on 1967 and 1968 data of the Bureau of Mines, there are 3,778 active underground bituminous and anthracite coal mines of which 450 are now classed gassy. The remainder, 3,328, are classed nongassy, of which 2,755 are small nongassy mines, not 4,000 as some contend. Many of these small nongassy mines are found in eastern Kentucky, southern Virginia, and West Virginia and are drift mines. As I have stated, under these conditions there is a good chance for methane that was present in the coal many years ago to have escaped from the coal seam before mining is undertaken. But, as I also stated, no one can be sure of this and frequently the methane remains as a cause of disaster and threat to the lives of the coal miners.

Based on data of the Bureau of Mines, the total annual coal production from underground bituminous and anthracite mines during 1967 and 1968 was about 350 million tons. Large and small gassy mines accounted for about 60 percent of this total of 210 million tons. Large and small nongassy mines combined accounted for the remaining 40 percent or 140 million tons.

Small nongassy mines annually produced slightly less than 12 percent, or 39 million tons—a far cry from the 40-percent production claimed by some who want to retain this administrative distinction for small nongassy drift mines.

THE SAFETY OF THE MINER

After all is said and done, one must still conclude that the special treatment granted nongassy mines for the past 17 years relative to the use in such mines of sparkproof electric face equipment should not be continued from the standpoint of the miner's safety. It is important that my colleagues in the House understand the reasons for this conclusion.

Both the previous administration, in January 1969, and the present administration, in March 1969, in propsing coal mine health legislation, specifically proposed that all mines should be "subject to the same standards because all underground coal mines are potentially gassy." Both administrations were reiterating the position taken by the Bureau of Mines as long ago as 1926, that all mines whether classed gassy or nongassy, are potentially gassy.

It is clear from the history of ignitions and explosions in the Nation's coal mines that the exceptions permitted by the 1952 Federal Coal Mine Safety Act, as amended, are not warranted. There is neither a scientific nor technical basis for these exceptions. The record shows that no one can predict when gas may be found in such quantity in any mine to cause considerable damage.

EXPLOSIONS DO OCCUR IN NONGASSY MINES

Past history shows that mines, once classified nongassy, do suddenly have sufficient accumulations of methane gas to cause ignitions and explosions. As the record demonstrates, this has happened at least 87 times since 1941. Let me stress that point—87 mines in the past 28 years have been classified nongassy, yet they have had sufficient methane gas to cause an explosion and, as a result of these 87 gas ignitions, in so-called nongassy mines, 84 miners were killed and 111 were injured. See the following table which shows where these have occurred:

METHANE IGNITIONS AND EXPLOSIONS IN NONGASSY MINES, 1941–69

State	Number of ignitions	Number of miners killed	Number of miners injured
Pennsylvania	33	18	69
Kentucky	14	17	13
Virginia	13	0	9
West Virginia	6	17	10
Tennessee	6	14	0
Ohio	4	3	6
Illinois	2	11	3
Maryland	2	3	1
Colorado	2	0	3
Washington	2	0	2
Alabama	1	0	0
Indiana	1	0	0

WHERE THE EXPLOSIONS HAVE OCCURRED

These dangers exist in all nongassy mines, whether they are large or small; whether they are drift mines, slope mines, or shaft mines. As the record

demonstrates, of the 55 methane ignitions that have occurred in nongassy mines since the 1952 Safety Act, over half—30 to be exact—occurred in small mines; almost half—22 to be exact—occurred in drift mines. In some of these 55 ignitions, fewer than five miners were employed in the mine. As recently as August 1968, a methane gas ignition occurred in a small nongassy drift mine, in Kentucky, injuring three miners. On two previous inspections, the methane gas in the atmosphere at the mine registered less than 0.25. On one inspection, it registered 0.15, on the other, no methane gas whatsoever was detected. Yet, on August 5, 1968, a methane gas ignition occurred in that "nongassy" mine.

RECLASSIFICATION OF MINES AS GASSY

In the last 4 years alone, 168 nongassy mines had to be reclassified as gassy. Sixty-nine of these were small mines, and 17 of the 168 were drift mines.

See table I, which follows:

TABLE I.—203(f) ORDERS, GASSY CLASSIFICATION, ISSUED FROM 1964 THROUGH 1968 BY DATE, STATE, REASON, AND AIR ANALYSIS FOR THE 2 PREVIOUS INSPECTIONS

DISTRICT A

Date of gassy classification	State	Size of mine	Type of opening	Reason for gassy classification	Air analysis (methane) 2 previous inspections No. 1	No. 2
Feb. 18, 1964	Pennsylvania	Small	Slope	State, by letter [1]		
Feb. 26, 1964	do	Large	Drift	do		
June 13, 1964	do	do	Slope	0.58	(2)	(2)
Sept. 16, 1964	do	do	Drift	1.05	0.21	0.09
May 23, 1964	do	do	do	State, by letter [1]		
Feb. 4, 1965	do	Slope	Slope	do		
Feb. 17, 1965	do	do	do	do		
Mar. 4, 1965	do	do	do	do		
Mar. 29, 1965	do	do	do	do		
June 8, 1965	do	do	do	do		
June 15, 1965	do	do	do	do		
July 22, 1965	do	do	do	do		
July 29, 1965	do	Large	Drift	do		
Sept. 24, 1965	do	Small	Slope	do		
Oct. 7, 1965	do	do	do	do		
Oct. 26, 1965	do	do	do	do		
Dec. 3, 1965	do	do	do	do		
Jan. 3, 1966	do	Large	Drift	do		
Feb. 14, 1966	do	Small	Slope	do		
May 3, 1966	do	do	do	0.83	.00	.00
May 20, 1966	do	Large	Drift	1.34	.08	.00
May 27, 1966	do	do	do	State, by letter [1]		
July 15, 1966	Pennsylvania	Large	Shaft	State, by letter [1]		
Sept. 9, 1966	do	do	Drift	0.40	0.00	0.00
Nov. 3, 1966	do	do	do	0.39	.15	.11
Nov. 28, 1966	do	do	do	0.32	.03	
Nov. 30, 1966	do	do	Shaft	Interconnected	(2)	(2)
May 23, 1967	do	do	Drift	State—by letter [1]		
Sept. 26, 1967	do	Small	Slope	0.66	.00	00
Sept. 27, 1967	do	do	do	Interconnected	(2)	(2)
Do	do	do	do	do	(2)	(2)
Oct 6, 1967	do	Large	do	State, by letter [1]		
May 29, 1968	do	Small	Slope	do		
Sept. 12, 1968	do	do	do	do		
Nov. 4, 1968	do	do	do	Interconnected	(2)	(2)
Apr. 1, 1967	West Virginia	Large	Drift	State, by letter [1]		
Nov. 8, 1968	do	do	do	do		
May 21, 1964	Ohio	do	do	1.76	.00	.00
May 26, 1966	do	Small	do	0.26	(4)	(4)
Dec. 22, 1966	do	do	Shaft	0.50	.05	.07
June 26, 1967	do	Large	Slope	0.29	.08	.06
July 26, 1967	do	do	Drift	State, by letter [1]		
Mar. 29, 1968	do	do	do	0.42	.06	.04
May 8, 1968	do	do	Slope	0.30	(2)	(2)

DISTRICT B

Jun. 8, 1964	Ohio	Small	Drift	0.26	0.06	0.05
Aug. 31, 1964	do	do	do	0.29	.20	.06
Sept. 23, 1964	do	Large	do	0.35	.00	.05
Oct. 6,1964	do	do	do	0.70	.22	.05
Oct. 30, 1964	do	do	do	0.31	.13	.07
Nov. 4, 1964	do	do	do	Interconnected	.00	
Jan. 27, 1965	do	do	do	do	(4)	(4)
Feb. 24, 1965	do	do	do	0.26	.00	
Do	do	do	do	Interconnected	.00	.00
Do	do	do	do	do	.04	.00
Feb. 25, 1965	do	do	do	do	.00	.00
Mar. 9, 1965	do	Small	do	do	.00	.00
June 3, 1965	do	Large	do	0. 32	.10	.04
Sept. 8, 1965	do	do	do	0. 78	.00	
Sept. 27, 1965	do	do	do	0. 91	.05	
Dec. 20, 1965	do	do	do	0. 49	.19	.00
Feb. 2, 1966	do	Small	do	Interconnected	(2)	(2)
May 24, 1966	do	Large	do	0. 47	.00	.00
June 14, 1966	do	do	Shaft	1. 46	.00	.00
June 16, 1966	do	Small	Drift	Interconnected	.00	.00
Sept. 8, 1966	do	do	do	do	(2)	(2)
Dec. 8, 1966	do	do	do	0. 43	.22	.08
Jan. 16, 1967	do	Large	do	Interconnected	.00	
Feb. 23, 1967	Ohio	Small	Drift	Interconnected	(2)	(2)
Feb. 13, 1967	do	do	do	do	0. 00	
Mar. 15, 1967	do	Large	do	0. 61	.00	0. 00
May 8, 1967	do	do	do	0. 29	.03	.00
May 11, 1967	do	Small	do	Interconnected	(2)	(2)
Aug. 22, 1967	do	do	do	do	(2)	(2)
Sept. 25, 1967	do	Large	do	0. 92	.19	.07
Sept. 28, 1967	do	Small	do	0. 26	.05	.00
Oct. 24, 1967	do	do	do	Interconnected	(2)	(2)
Do	do	Large	do	0. 92	.13	.15
Nov. 8, 1967	do	do	Shaft	0. 51	.00	.00
Nov. 21, 1967	do	do	Drift	0.48	.05	.05
Nov. 28, 1967	do	do	do	0.89	.01	.00
Nov. 29, 1967	do	do	do	0.70	.22	.05
Dec. 4, 1967	do	Small	do	Interconnected	.00	.00
Dec. 6, 1967	do	Large	do	0.97	.14	.10
Jan. 18, 1968	do	do	Shaft	0.52	(2)	(2)
Feb. 13, 1968	do	do	Drift	0.30	.00	.00
Apr. 22, 1968	do	do	do	0.26	.07	.03
July 29, 1968	do	Small	do	0.26	.01	.15
Sept. 16, 1968	do	Large	do	0.25	.C0	.00
Nov. 7, 1968	do	do	do	0.33	.06	.00

DIS TRICT C

Dec. 17, 1965	Alabama	Large		0.29	0. 24	0. 00
July 1, 1966	do	Small	Drift	0.37	.10	.16
July 13, 1966	do	do	do	Interconnection	.05	.00
Jan. 3, 1968	do			State, by letter [1]	.00	.00
Nov. 4, 1965	Tennessee	Large	Drift	0.31	.00	.00
July 31, 1967	do	Small	do	0.56	.14	.05
Aug. 23, 1968	do	do	do	0.27	.00	.00
July 15, 1968	do	do	do	0.51	.07	.05
May 17, 1968	do	do	do	State, by letter [1]	.00	.00
Sept. 9, 1965	Kentucky	Large	Slope	do	.00	.00
Apr. 21, 1965	do	do	Drift	1.72	.07	
Apr. 5, 1966	do	do	do	Safety lamp and methane detector.	.00	.05
Feb. 16, 1966	do	Small	do	0.44	.00	.00
June 12, 1967	do	Large	do	0.29	(2)	(2)
Dec. 27, 1967	do	do	do	0.34	.10	.15
June 10, 1968	do	do	do	0.38	.12	.05
July 18, 1968	do	do	do	0.34	.00	.00
Aug. 5, 1968	do	Small	do	Ignition	.15	.00
Mar. 10, 1964	Virginia	Large	Shaft	0.33	(2)	(2)
Nov. 3, 1964	do	do	Drift	State, by letter [1]	.05	.05
Apr. 9, 1965	do	do	do	0.34	.02	.05
Do	do	do	do	Interconnection	.00	.00
Oct. 14, 1965	do	do	do	do	.15	.21
Mar. 10, 1966	do	do	do	0.32	.00	.00
Nov. 8, 1966	do	Small	do	Ignition	(3)	.17
Jan. 23, 1967	do	do	do	0.31	.10	.14
Mar. 20, 1967	do	do	do	0.27		.00
Do	do	do	do	0.49	.00	.22
May 1, 1967	Virginia	Small	Drift	0.44	0. 00	0. 07
May 24, 1967	do	Large	do	0.27	.15	.07
May 25, 1967	do	Small	do	0.56	.00	.03
June 26, 1967	do	do	do	0.36	.00	.16
Aug. 23, 1967	do	do	do	0.29	.14	.04
Aug. 31, 1967	do	do	do	1.49	.00	.15
Sept. 28, 1967	do	Large	do	0.44	.00	.10
Oct. 9, 1967	do	do	do	0.40	.00	.00
Oct. 11, 1967	do	do	do	2.09	.09	.05
Do	do	do	do	1.26	.10	.00
Nov. 9, 1967	do	Small	do	0.47	.00	.00
Dec. 21, 1967	do	do	do	0.26	.19	.15
Jan. 22, 1968	do	do	do	0.53	.00	.00
Feb. 15, 1968	do	Large	do	0.51	.07	.23
Mar. 19, 1968	do	do	do	0.75	.00	.00
May 1, 1968	do	do	Shaft	State	(2)	(2)
May 6, 1968	do	do	Drift	0.30	.00	.00
May 15, 1968	do	Small	do	0.25	.00	.00
May 22, 1968	do	do	do	Interconnection	.00	.00
June 18, 1968	do	do	do	0.47	.00	.00
July 9, 1968	do	do	do	0.30	.05	.06
July 15, 1968	do	Large	do	0.30	.00	.11
July 30, 1968	do	Small	do	0.25	.05	.14
Sept. 3, 1968	do	Large	do	0.33	.12	.22
Sept. 11, 1968	do	Small	do	0.26	.00	.00
Dec. 13 1968	do	Large	do	Interconnection	.00	.00
Sept. 11, 1968	do	Small	do	0.51	.03	.03

Footnotes at end of table.

TABLE I.—203(f) ORDERS, GASSY CLASSIFICATION, ISSUED FROM 1964 THROUGH 1968 BY DATE, STATE, REASON, AND AIR ANALYSIS FOR THE 2 PREVIOUS INSPECTIONS—Continued

DISTRICT D

Date of gassy classification	State	Size of mine	Type of opening	Reason for gassy classification	Air analysis (methane) 2 previous inspections	
					No. 1	No. 2
July 13, 1965	Kentucky	Large	Drift	State, by letter		
July 7, 1965	do	do	Slope	0.47	0.14	0.05
July 4, 1966	do	Small	Shaft	0.53	.00	.00
July 6, 1966	do	do	do	0.39	.00	.03
June 13, 1967	do	Large	Slope	0.53	(2)	(2)
June 21, 1967	do	do	do	0.36	(2)	(2)
Sept. 12, 1967	do	do	Drift	0.32	.10	.05
Nov. 12, 1968	do	do	Shaft	0.29	.03	.03
Do	do	do	Slope	0.41	0	.16
Nov. 14, 1968	do	do	Drift	0.30	.08	.09
Dec. 10, 1968	Kentucky	Large	Drift	0.26	0.12	0.13
July 23, 1965	Illinois	do	Shaft	State, by letter		
Sept. 15, 1965	do	do	do	do		
Sept. 14, 1966	do	Small	Slope	do		
Do	do	do	Shaft	do		
Aug. 18, 1967	do	Large	Drift	0.45	.05	.07
Oct. 22, 1968	do	do	Shaft	State, by letter		
Nov 8, 1968	do	do	do	0.28	.08	.09
June 1967	Oklahoma	do	Slope	State, by letter		
Oct. 1967	do	do	Shaft	do		

DISTRICT E

Nov. 19, 1964	Utah	Large	Slope	By letter, State [1]	0.07	0.00
Dec. 23, 1964	Colorado	do	Drift	0.63	.00	.01
Mar. 18, 1965	do	do	do	0.31	.00	.01
1966	None			None		
Apr. 19, 1967	New Mexico	Large	Drift	0.34	0.00	0.01
1968	None			None		

[1] Form 203(f) orders were not issued when mines were classed gassy by State department of mines.
[2] No prior inspection.
[3] No samples.
[4] Data not available.
[5] None.

Most of these gas ignitions in nongassy mines have been caused by smoking, open flames, and small nonpermissible electric equipment. The bill prohibits smoking and open flames, and requires that the small electric equipment be made ignitionproof.

However, since ignitions have also occurred from larger nonpermissible equipment, and large permissible equipment in nonpermissible condition, the bill also requires that this larger equipment be made ignitionproof. The committee believed this requirement to be necessary for a very simple reason. Where there is methane, any spark—whether it be from a machine, cigarette lighter, or small or large piece of electric equipment, can cause an ignition. In fact, as we have learned, five methane ignitions in nongassy mines have been caused by sparks emanating from large pieces of equipment.

A methane ignition was recently caused in a nongassy drift mine by a large piece of equipment which, the Bureau of Mines reports, was in nonpermissible condition at the time of the ignition. Five men were burned and hospitalized. In that case, fortunately, none were killed.

THE BLUE BLAZE CASE

In the most serious of these 55 methane ignitions in nongassy mines since 1952, 11 miners were killed in Herrin, Ill.—Blue Blaze Coal Co. These miners were working in a mine which the law said was nongassy. Yet, a spark, emanating from a large shuttle car, found methane gas which was not supposed to be there, and exploded the methane gas. The Bureau of Mines reports that the shuttle car was in nonpermissible condition at the time of the ignition.

The mine involved had not been classified gassy by the State of Illinois. According to the report, "methane was never detected in the mine with a permissible flame safety lamp, except for the one time that the mine manager thought he might have found a very small amount in a roof cavity." Air samples collected during State inspections of the mine showed a maximum methane content of 0.08 percent which, under current law, is well below the nongassy classification limit of 0.25 percent.

A shuttle car was being repaired. It had been manufactured originally to meet the Bureau's standards. During the course of repair, however, the control panel was open.

OFFICIAL INVESTIGATION REPORT

The Bureau of Mines investigators, in reconstructing the facts after the disaster, believe that during the course of repair, the repairman energized the power to the shuttle car for test purposes. Since the control panel was open, sparks were permitted to emanate. According to the final report of the investigation, "Federal inspectors are of the opinion that the disaster was caused by the ignition of methane in the air current. The gas was ignited by an arc or spark from the open control panel while repairs were being made on the shuttle car." Had the control panel been properly sealed when the machine started to operate, and under the Department of the Interior standards it must be, the ignition would not have occurred. The final report of this explosion follows:

FINAL REPORT OF MAJOR MINE-EXTENSION DISASTER, MINE NO. 2, BLUE BLAZE COAL COMPANY, HERRIN, WILLIAMSON COUNTY, ILLINOIS, JANUARY 10, 1962

(By F. J. Smith, District Supervisor; J. R. Summary, Federal Coal-Mine Inspector; C. M. Dovidas, Federal Coal-Mine Inspector; S. J. Douglas, Federal Coal-Mine Inspector, Electrical)

INTRODUCTION

A gas and dust explosion occurred in Mine No. 2 of the Blue Blaze Coal Company, 2 miles northwest of Herrin, Illinois, about 6:30 p.m., Wednesday, January 10, 1962, and caused the death of 11 men. These eleven were the only persons in the mine and all died from suffocation, burns and/or forces.

The names of the victims, their ages, marital status, occupations, and the number of dependents are listed in Appendix "A" of this report.

Bureau of Mines investigators believe the explosion originated in room 2 off 3 north entry at the neck of the second north crosscut when an explosive mixture of methane-air was ignited by an electric arc or spark from a piece of electrical equipment. The explosion was propagated by methane and coal dust.

Forces of the explosion radiated from room 2 off the 3 north entry and spread west and north, south and west towards the main shaft, and west and south into the holed-through abandoned sealed north working section at room 1 off the 1 north entry. All of the forces converged at the bottom of the main shaft, traveled up the shaft and dispersed upon reaching the surface.

GENERAL INFORMATION

Mine No. 2 is located 2 miles northwest of Herrin, Williamson County, Illinois. Coal was transported from the mine in autotrucks.

The operating officials of the company were as follows: Claud Gentry, Owner, Route 2, Carterville, Illinois; Virgil E. Woodburn, Mine Manager and Day Shift Leader, Cambria, Illinois; Rays Woodis, Night Shift Leader, Herrin, Illinois.

On January 10, 1962, a total of 30 men was employed; 6 on the surface and 24 underground on two coal-producing shifts. The average daily production was reported to be 280 tons of coal. The mine is opened by a concrete-lined shaft 168 feet deep and a 16-inch cased pilot hole which was primarily used as a refuse hole for the blasted strata for the enlargement of the air shaft. The workings are in the Illinois No. 6 coal bed, which averages 106 inches in the present mining area and dips very slightly to the north and east.

In 1956 a 7- by 10-foot concrete-lined slope was driven near the present side of the cased pilot hole for the proposed 6-foot circular air shaft. The slope was driven, to a depth of 210 feet and collapsed unexpectedly, due to caving ground and an inrush of what is locally referred to as quicksand. Plans for opening the mine were suspended until April 23, 1959, when ground was broken for the present hoisting shaft. The hoist or main shaft was completed November 24, 1960; however, the further development of the mine was temporarily halted, until the surface structures were erected. Coal on one shift was first produced July 30, 1961, and continued to be produced intermittently until the day of the explosion. A full crew on the second shift started to produce coal mine working shifts prior to the disaster.

The partly completed air shaft, located 520 feet east of the main shaft, was started November 7, 1961. The 6-foot circular steel-lined air shaft had been driven periodically to a depth of 70 feet below the surface soil and to within 74 feet of the coal bed at the time of the explosion.

The immediate roof is a medium-firm gray shale which is about 12 inches in thickness, overlaid by 12 feet of hard shale, 3 to 5 feet of limestone, and by 49 feet of sandstone,

successively. The immediate roof disintegrates after it is exposed to the mine atmosphere, and to protect it from weathering approximately 12 to 18 inches of top coal is left. The floor is a smooth soft fire clay that also disintegrates when exposed to the mine atmosphere.

The analysis of a coal sample from the Illinois No. 6 coal seam obtained from a coal company located in the immediate vicinity is as follows: Moisture, 7.2 percent; volatile matter, 34.8 percent; fixed carbon, 51.0 percent; ash, 7.0 percent.

Numerous tests conducted by the Bureau of Mines have shown that coal dust having a volatile ratio of 0.12 is explosive and that the explosibility increases with an increase in the volatile ratio. The volatile ratio of coal in this mine as determined from the aforementioned analysis is 0.40, indicating that the dust is explosive.

A Federal inspection had not been made of this mine prior to the disaster. A Bureau of Mines roof-bolt representative visited the mine and issued a roof-bolt plan on July 31, 1961, but the mine was idle on several occasions when a Federal inspector visited it or contacted some of the employees to determine if the mine were in operation. The mine did not come under the provisions of Title II of the Federal Coal Mine Safety Act until January 1962, by virtue of the fact that less than 15 men were employed underground until that time.

MINING METHODS, CONDITIONS, AND EQUIPMENT

Mining Methods: The mine was being developed by a panel, room-and pillar method and pillars were not extracted. Main entries were driven in sets of seven, 16 feet wide on 50-foot centers. Room-panel entries were being driven 16 feet wide on 50-foot centers in sets of 2 and 3 at various intervals. The first room crosscuts were used as shuttle-car roadways and were referred to as entries by the management. Rooms were driven 18 to 22 feet wide on 50-foot centers to various depths, and crosscuts were generally 18 feet wide and 60 feet apart.

The mine is surrounded by worked-out mines and provisions had been made in the projected development to allow 200 feet of coal for a barrier pillar between the mine and abondoned properties.

Bolts were used exclusively for roof support throughout the mine, and with one exception, were being installed according to the recommendations of the Bureau's roof-control representative.

A loading-machine unit was operated on each of the two coal-producing shifts.

Blasting: All coal in the mine was undercut by a rubber-mounted cutting machine and was broken down on shift by means of compressed air. Explosives were not used underground.

Ventilation and Mine Gases: Ventilation was induced by a 24-inch, electrically driven, centrifugal fan operated blowing and circulating approximately 7,500 cubic feet of air a minute. The fan was operated continuously and was installed on the surface, offset a few feet from the main shaft and was attended constantly. Room-panel and temporary stoppings were normally constructed of lumber covered with wood fiber; however, brattice cloth was used occasionally for temporary stoppings until replaced by lumber. No doors were used in the mine; however, two double thickness brattice cloth curtains were suspended from a wooden frame near the shaft bottom. Permanent stoppings were built of concrete blocks.

The air was directed into the mine through a 22½-inch metal air duct which extended from the fan down the hoist shaft and through a circular hole in the poured concrete lining of the shaft. The air duct was constructed of a series of empty 55-gallon capacity oil drums that were joined by welding after the ends were removed from the barrels.

A split system of ventilation was used in this mine. A small split of air ventilated the temporarily idle main west section and a larger split was ventilating the active working area which included the 1, 2 and 3 north room-panel entries and the main east entries. The air entering the mine through the cased pilot hole of the air shaft combined with the air returning from the north entries and returned out the main east haulage and parallel entries and up the hoist shaft. No air readings were recorded in the mine examiner's book.

The mine was not classified gassy by the Illinois Department of Mines and Minerals. Preshift examinations were made of the entire mine for gas and other hazards by the mine manager and night shift leader for their respective shifts. On-shift examinations were made by the mine manager for gas and other hazards during the day shift; however, an on-shift examination apparently was made only for other hazards on the night of the explosion, since a flame safety lamp was not found in the mine during the investigation. The mine manager did state that he thought he detected gas in a roof cavity about three months prior to the day of the disaster; however, it was not noted in the record book. The analysis of air samples collected during State inspections of the mine showed a maximum methane content of 0.08 percent. There were no known oil or gas wells penetrating the coal bed in the area being worked.

Dust: The mine in general was dry, but water was present on the floor in the main east entries inby the north working section and in 6 and 7 east air course entries outby the north working section. The entire north working section was dry and dusty. Loose coal and coal-dust accumulations were present along the main east haulage road, at the hopper near the main shaft and throughout the north working section. Rock dust was applied daily by hand and the main entries had been rock-dusted by machine.

During the investigation, 20 mine-dust samples were collected in the main east and north entries and all of them contained less than 65 percent incombustible (see Table 2). A sample for coke was collected in room 2 off 3 north entry at the second north crosscut where the explosion was believed to have originated and at the junction of main east track entry and 2 north. The mine-dust samples collected were not representative of mine conditions prior to the explosion, as coal dust thrown into suspension and deposited on the rock-dusted surfaces increased the combustible content.

Transportation: Eight-ton Jeffrey trolley locomotives were used to haul the 8-ton, all-steel, drop-bottom-type coal cars from the north working section to the coal hopper located south of the main shaft. The coal was then loaded into a 5-ton skip and hoisted to the surface where it was prepared for domestic trade and for resale to another coal company.

Electricity: Power was purchased at 4,160 volts, three phase, and was transformed to 440, 220, and 110 volts for use on the surface and underground, with the exception of the surface motor generator, which operated at 4,160 volts on the primary side. Alternating current equipment underground consisted of a coal conveyor at the shaft bottom, and two water pumps, all 440-volt type. Direct-current power was generated at 250 volts by a 400 kilowatt conversion unit located in the hoist house. Direct current was transmitted into the mine by two plastic pipe-enclosures 1,000,000 circular mil copper cables installed in an 8-inch cased borehole. Power was transmitted along the motor roads and face region by 320,000 circular mil (6/0) trolley wire and 750,000 circular mil feeder lines, all well installed on insulators.

Face equipment consisted of a Joy 11BU loader, Joy 10SC shuttle car, Joy 10RU cutting machine, Joy CD41 coal drill, and a Jeffrey 56 RDR roof-bolting machine, all operated from the direct-current system. Face equipment was permissible with the exception of the roof-bolting machine, which lacked only an approval plate. Face equipment was fairly new and maintained in a permissible condition. The 10SC shuttle car contactor enclosure cover had been removed by the second shift which exposed a considerable array of electrical arcing devices, and repair work was in progress at the time of the explosion. Upon inspection it was discovered that a main contact on one of the tram reversing contactors would not close, therefore, the shuttle car could have only trammed towards the face on one motor at high speed and tramming would have been possible at low speed in the same direction. The 10SC shuttle car is a four-wheel drive type with tram motor mounted on each side and each tram motor driving the two wheels on its respective side. Jockeying the shuttle car near the loader with the described fault would have been difficult as the car would have jumped on forward tram and probably frequently outed the overloaded relay. The regular mechanic was not working on the night of the explosion and repair work on the shuttle car was being done by members of the face crew, who apparently were not experienced in such work. This fact was self-evident when it was discovered that they had started to diassemble the wrong contactor. Under such conditions it was customary at this mine to try the equipment with the power on, with one person observing the contractors. The removal of the enclosure cover would provide several gas ignition sources which could have and probably did provide the primary ignition, as there was evidence that gas had burned in the enclosure.

Face equipment controller positions were checked after the ignition and all equipment was in an "off" position, except the coal drill which was apparently drilling at the time. Trailing cables were not provided with short-circuit protection at the nip ends, except the loader which had a 300-ampere fuse type nip. Temporary splices in trailing cables ranged in number from none to eight; all were fairly well made with the exception of one splice in the shuttle car cable which was bare. Trailing cables were listed as fire resistant, with the exception of some 75 feet of cable on the roof-bolting machine.

Illumination and Smoking: Permissible electric cap lamps were used for portable illumination underground, and fixed electric lights were installed at the underground shop, at the hopper and at frequent intervals along the haulage roads. Smoking was prohibited underground; however, smokers' articles were listed among the personal effects of one of the explosion victims. A damaged and corroded cigarette lighter was also found on the main east haulage road near the coal hopper but apparently it had been discarded sometime before the explosion.

Mine Rescue: A mine rescue team was not maintained at the mine and none of the mine personnel had been trained in mine rescue work in recent years. The nearest State-maintained mine rescue station and mine rescue teams were at Benton, Illinois, about 17 miles from the mine. Other State-maintained teams were from 20 to 178 miles away and were available. Each rescue station is equipped with the necessary gas-detection devices, McCaa 2-hour self-contained oxygen breathing apparatus, Chemox ¾-hour oxygen-generating breathing apparatus, and all-service gas masks. A box containing 6 self rescuers was kept underground in the shop near the shaft bottom. The underground employees were not searched for smokers' articles before entering the mine.

Two travelways, one of which was in intake air, were provided from the working section to the main shaft bottom; however, the main shaft was the only way out of the mine to the surface. A check-in and check-out system was in effect, and the men used

assigned numbered electric cap lamps as a means of identification while underground.

Several fire extinguishers and rock dust were available on the surface and underground for fire-fighting purposes. Water furnished by the city of Herrin was also available on the surface for fire-fighting purposes.

STORY OF EXPLOSION AND RECOVERY OPERATIONS

Participating Organizations: These include the Blue Blaze Coal Company, the Illinois Department of Mines and Minerals, United Mine Workers of America and U.S. Bureau of Mines.

The following Illinois State mine rescue teams assisted with the recovery operations: Benton No. 1 and No. 2, DuQuoin and Eldorado.

Activities of Bureau of Mines Personnel: A representative of Mine Safety Appliances Company, Benton, Illinois, notified J. R. Summary, Federal coal-mine inspector, Benton, Illinois, of the explosion about 8:25 p.m., Wednesday, January 10, 1962. Mr. Summary immediately notified F. J. Smith, District Health and Safety Supervisor, District E, who with Harry Schrecengost, Technical Assistant, U.S. Bureau of Mines, Washington, D.C., was on a special assignment in Benton, Illinois, at the time of the occurrence. Mr. Smith then relayed the information to other Bureau of Mines personnel. F. J. Smith, Harry Schrecengost and J. R. Summary left Benton, Illinois, at about 8:45 p.m., and arrived at the mine about 9:20 p.m. Federal Inspectors B. J. Dona, M. R. Messersmith, C. M. Dovidas, S. J. Douglas, J. A. McCune, J. P. Sheridan and Louis Lorenzo arrived at various times between 10:30 pm., January 10 and 2:15 a.m., January 11. James Westfield, Assistant Director—Health and Safety, and R. W. Whittaker, Federal coal-mine inspector, arrived about 2:30 p.m., January 11. Federal inspectors H. E. Basinger, Brank Beck, J. R. Laird and J. A. Mower, stationed at Madisonville, Kentucky, arrived Sunday afternoon, January 13, and assisted in restoring ventilation in the mine to permit an investigation of the disaster the following day.

The bodies of the 11 victims were recovered at various times during the night of January 11 by rescue teams using oxygen-breathing apparatus, and by 12:40 a.m., January 12, all bodies were removed from the mine.

Mining Conditions Immediately Prior to the Explosion: The weather on January 10, 1962, from 7:00 a.m., until noon consisted of scattered clouds and from 1:00 p.m. to 4:00 p.m., it was clear. The temperature at Herrin, Illinois, airport during this period ranged from 4 degrees below zero at 6:00 a.m., to 6 degrees above zero.

Records of barometric pressure on January 10, 1962, are as follows:

BAROMETER READINGS, JAN. 10, 1969

[The accepted standard barometer reading at the mine is 29.80]

Time	Barometric pressure	Time	Barometric pressure
1:00 a.m.	30.15	1:00 p.m.	30.30
2:00 a.m.	30.17	2:00 p.m.	30.30
3:00 a.m.	30.19	3:00 p.m.	30.30
4:00 a.m.	30.20	4:00 p.m.	30.30
5:00 a.m.	30.20	5:00 p.m.	30.30
6:00 a.m.	30.20	6:00 p.m.	30.30
7:00 a.m.	30.20	6:30 p.m.	(1)
8:00 a.m.	30.20	7:00 p.m.	30.30
9:00 a.m.	30.25	8:00 p.m.	30.30
10:00 a.m.	30.30	9:00 p.m.	30.30
11:00 a.m.	30.30	10:00 p.m.	30.30
Noon	30.30	11:00 p.m.	30.30
		Midnight	30.30

[1] Time of explosion.

At noon on January 9, 30½ hours prior to the time of the explosion, the recorded barometric pressure was 30.00 and it continued on a gradual rise until a high of 30.30 was recorded at 10:00 a.m., January 10, 1962, after which it leveled off and remained steady until midnight. The atmospheric pressure was not a contributing factor in the explosion. The mine was in operation at the time of the explosion and had been on an 8:00 a.m., and 4:00 p.m., operation since Monday, January 8, 1962. The fan was operating and the mine examiners did not record any unusual conditions in the mine.

Evidence of Activities and Story of Explosion: At the beginning of the 4:00 p.m., to midnight shift on January 10, eleven men entered the mine and all the men except the cager and two motormen walked to the working section. The underground employees reached the working section presumably without mishap, and all the coal-producing workmen had been in face of regions approximately 2½ hours when the explosion occurred. Conditions found after the explosion indicated that coal was being produced as usual. The mine examiner's record book at the mine showed a preshift examination of the entire mine had been made for the oncoming shift. Methane was not reported and the air was traveling in its normal course and quantity.

Normal operating procedure at this mine required all the day shift crew to be on the surface, except the mine manager, before the afternoon crew was permitted underground. The hoisting engineer on the afternoon shift stated that on January 10, 1962, at about 3:30 p.m., after all the crew was lowered, normal operation of the mine followed.

A trip of coal was being hoisted out of the mine and at approximately 6:25 p.m., the skip was lowered to the bottom and was stopped for about a minute when he heard a whirring and hissing sound similar to a short-circuit in high voltage power cable, followed by a terrific vibrating sound. The generator set was only a few feet from the hoist controls and, being concerned about the high voltage power, he pulled the power cut-off switch on the generator, stopping the set. Upon turning around he observed the hoisting cables vibrating, followed by a jet black column of smoke or dust pouring out of the shaft accompanied by a deafening whirring and vibrating sound. After waiting a few minutes he walked outside and around the corner of the hoist house and disconnected the 440-volt power to the mine. He walked back into the building housing the hoist, bath room, supplies and air compressor. The Airdox compressor was still in operation, and he then tried to call underground by telephone but could not get an answer. Realizing then that an explosion had occurred, he shouted from the hoist room door to the topman who was in the mine office to call the owner of the mine and tell him there had been an explosion in the mine. The owner-operator returned to the mine immediately and assisted in the recovery operations.

During the development of the main east entries toward the proposed air shaft, a set of north entries was driven to a depth of about 312 feet, with 5 rooms driven off to the west approximately 165 feet in depth and 4 rooms driven off to the east to a depth of about 87 feet. This was to provide storage room for rock and refuse that was dropped down the 16-inch pilot hole when sinking the 6-foot diameter air shaft. The panel was abandoned because of the distance and time it took to haul refuse from the shaft to unload in the panel, and because the panel would have to be ventilated and inspected it was closed January 7, 1962, by concrete-block stoppings. To facilitate the sinking of the air shaft and to offset the operating cost, the 1, 2 and 3 north room-panel entries off 7 main east were driven to increase production and to provide a closer area for storing the refuse from the shaft sinking operation.

All coal was mined with conventional mobile electric equipment, and the coal drill was the only piece of face equipment in operation when the explosion occurred. The roof-bolting machine was parked in No. 2 room off the 1 north while the face of the place was being broken down by compressed air by the shooter and the roof-bolt drill operator who occasionally helped the shooter. The explosion forced the drill boom of the roof-bolting machine about 8 inches into the partly broken down fall of coal, and the shooting shear strip was perforated in the shooting shell found in the bottom hole on the left side of the face. The bodies of the shooter and roof-bolt operator were found alongside of the roof-bolting machine. The mining machine was parked about 25 feet from the undercut face of No. 2 room off 3 north and had many new bits set in the cutter chain. The idle loading machine waiting for the shuttle car under the boom of the loader to be repaired was in the second crosscut north off No. 2 room off 3 north. The coal-drill operator was drilling the first hole in the last crosscut being driven east off 3 north, and the loading machine used to load rock and material from the air shaft sinking operations was parked on 3 north entry between 4 and 5 main east entries. All the controls of the face equipment were in the "off" position, except the coal-drilling machine. The 8 bodies of the victims in the 1, 2, and 3 north working section were found near their working places, except the shift leader whose body was found on 2 north entry about 25 feet from the end of the track and near the nipping station. One of the mining machine men was found near the spare rock and material loading machine, one motorman was found near the east end of the coal hopper at the hoisting shaft, the other motorman was in an empty coal car next to the motor on the 3 east haulage road about 80 feet from the coal hopper, and the bottom man or cager was found near his station at the skip hopper loading conveyor on the south side of the hoisting shaft. The victims died from one of the following causes: Burns, inhaling hot gases, lack of oxygen, or violence.

The day shift mine manager and shift leader stated that on January 10, he knew that No. 1 room off 1 north was near the closed abandoned north workings. He instructed the afternoon shift leader not to cut the face but did not take further action to assure that his oral instruction was followed. Sometime after the 4:00 p.m., shift started to work the closed abandoned north workings were penetrated by an opening of about 90 square feet by cutting and breaking down the coal in No. 1 room off 1 north permitting methane to enter into the air current ventilating the 1, 2, and 3 north working section. The gas then was apparently ignited by an electric arc or spark while repairs were being made in the control panel of the shuttle car. The cover was removed from the control box, the repairman's tools were nearby, and there was evidence of burning in the control compartment. The shuttle car was positioned behind the loading machine in the second crosscut left in room 2 off 3 north and extended part way into the intersection.

From the written report made in the mine examiner's record book, dated January 10, 1962, a preshift examination of the mine was made for the day and afternoon shifts and indicated the mine to be in safe condition. Testimony of day shift workmen was to the effect that tests for methane were frequently made on shift by the mine manager. The day shift mine manager stated he handed a flame safety lamp to the afternoon foreman, but no lamp was found underground.

The explosion destroyed all the stoppings underground. Only minor damage was done to the trolley, power feeder wires, telephone lines and the 3 locomotives near the hoisting shaft. The face equipment appeared to be in good condition, except for the burnt seats on the shuttle car and a seared tire on the mining machine. The major damage was done in the immediate vicinity of the shaft bottom, shaft, and to the coal skip which was at the shaft bottom.

The explosion resulted in the loss of production from the entire mine. The closure Order on the entire mine issued January 11, 1962, remains in effect.

Recovery Operations: Claud Gentry, owner, after informing Ray McCluskey, district State mine inspector, of the explosion proceeded to the mine. Immediately after arriving at the mine, Gentry and McCluskey viewed the damage and discussed what was to be done to get underground as quickly as possible. While calls were being made for State mine rescue teams and other emergency units, work on installing a temporary auxiliary fan operating exhausting at the 16-inch pilot hole at the proposed air shaft was started to establish temporary ventilation underground, because the metal tubing from the main fan installed in the hoisting shaft was destroyed by the explosion. Considerable delay was encountered in hoisting and removing the coal skip from the damaged shaft and arranging for other temporary hoisting equipment. A truck-mounted winch was obtained and a small cage with enclosed sides that could accommodate two men was fastened to the winch rope and swung into the shaft. The fan at the air shaft was exhausting about 2,500 cubic feet of air a minute, and to increase the ventilation another auxiliary fan operating exhausting was set in parallel, increasing the quantity of air to about 3,500 cubic feet a minute. Numerous difficulties were encountered in getting on and off the 2-man cage at the surface and shaft bottom. At approximately 11:45 p.m., the lowering of rescue team members wearing oxygen-breathing apparatus began, and about 4:00 a.m., January 11, all bodies were accounted for. There were no survivors. In the meantime, an auxiliary blower fan with 18-inch tubing was obtained and the tubing was extended down to the shaft bottom landing to ventilate the immediate area around the bottom. This fan was capable of producing about 4,000 cubic feet of air a minute.

At about 11:10 p.m., January 11, the first body was brought to the surface and by 12:40 a.m., January 12, all bodies were hoisted out of the mine. On January 13, to facilitate the transportation of men and material into the mine, a triple deck construction cage that had been used when sinking the shaft was put into operation, utilizing the main hoist. On January 14, a voluntary crew of 13 men wearing gas masks, when the occasion required, constructed semi-permanent stoppings so that the small quantity of air available would clear the mine enough to conduct an investigation.

INVESTIGATION OF CAUSE OF EXPLOSION

Investigation Committee: The underground investigation of the cause of the explosion was begun on January 15, 1962. Members of the official investigation committee were:

Illinois Department of Mines and Minerals: William J. Orlandi, Director; Harold V. Richmond, Inspector At Large.

Illinois Mining Board: H. E. Mauck, Member.

Blue Blaze Coal Company: Claud Gentry, Operator and Owner.

United Mine Workers of America: Floyd Morris, Special Representative, District No. 12.

United States Bureau of Mines: James Westfield, Assistant Director, Health and Safety; F. J. Smith, District E. Supervisor.

Other representatives of the afore-mentioned organizations participated in different phases of the underground investigation of the disaster. Bureau of Mines representatives included: Messrs. B. J. Dona, M. R. Messersmith, J. A. McCune, J. P. Sheridan and Louis Lorenzo.

William J. Orlandi, Director of the Illinois Department of Mines and Minerals, conducted an official hearing on the investigation of the explosion by interrogating the owner-operator, day shift mine manager and employees of the company at the Mines Rescue Station, Benton, Illinois, January 18, 1962. The purpose of the hearing was to hear and record all testimony relevant to conditions and practices in the mine prior to and on January 10, and to determine therefrom, if possible, the cause of the explosion. Some of the information thus obtained is included in this report. Representatives of the United Mine Workers of America, Illinois Department of Mines and Minerals, U.S. Bureau of Mines, and the mine owner-operator participated in the questioning of witnesses.

Methane as a Factor in the Explosion: The mine was not classed gassy by the Illinois Department of Mines and Minerals. Reportedly, methane was never detected in the mine with a permissible flame safety lamp, except for the one time that the mine manager thought he might have found a very small amount in a roof cavity. This trace of methane was detected in one of the east entries just after breaking away from the shaft bottom about 150 feet. The analyses of air samples collected during State inspections of the day shift mine manager and employees was that gas had not been detected during recovery operations. The analyses of 9 air samples collected at various locations underground after recovery operations had been completed and during the investigation showed the maximum amount of methane to be 0.40 percent. The maximum quantity of air the fan was producing was estimated to be approximately 7,500 cubic feet a minute. No written record of air measurements taken underground was available at the mine.

Fragile, globular coke droplets adhering to the roof and ribs, indicative of burning gas, were found on the south rib of the second crosscut from the face of No. 2 room off 3 north, the west rib of 3 north entry between the last open crosscut and the crosscut being driven between 2 and 3 north entries, the north rib of the last open crosscut between 2 and 3 north entries and the east rib of the last open crosscut between Nos. 2 and 3 rooms west of the closed abandoned north workings. Soot streamers were found about 100 feet east of the main hoisting shaft, in the abandoned north entries, 1, 2 and 3 north working section and to within about 200 feet of the faces of the main east entries.

Obviously, methane that was released by cutting into the closed abandoned north workings entered the ventilating current and was ignited by an electrical arc or spark while repairs were being made in the shuttle car control panel in No. 2 room off the 3 north.

Flame: Evidence of heat and flame, in the form of coke, soot or partly burned paper, canvas and wood, was observed in the north working section, in the abandoned north entry panel, in the main east entries about 100 feet inby and about 350 feet outby the north working section. (See Appendix B).

A total of 22 mine-dust samples, including two for coke only, was collected after the explosion, starting at a line across the 7 east entries about 100 feet inby the shaft bottom and continuing along the east entries at various intervals and into the main north working section to within about 100 feet of the north entry working faces. (See Tables 2 and 3 and Appendix B). The presence of coke in the mine-dust samples is one of the criteria by which extent of the flame was fixed, even though it is possible that such coke in the main east entries may have been blown there. All of the samples collected contained coke ranging in quantities from small to very large, and the two samples collected specifically for coke contained large and very large amounts. Coke was plastered on the roof and ribs at and near the intersection of the 3 east and 2 north haulage roads. Extremely heavy coke was evident in the 3 north entry inby the last open crosscut to within 50 feet of the face and in the last open crosscut between Nos. 2 and 3 north entries. A small amount of coke was observed on the east rib in the last open crosscut between rooms 2 and 3 which were driven west off the abandoned closed north entries.

Forces: Difficulty was not experienced in discerning the direction of forces. Coking and evidence of slow burning gas were on the roof, ribs and equipment at and near the intersection of room 2 and the blind crosscut in room 2 being driven towards room 3. The emanation of forces was from this area outward and extended throughout the entire mine converged at the main shaft bottom, continued up the shaft and upon reaching the surface dispersed into the atmosphere. The only evidence underground of extreme violence was observed at and near the bottom of the main shaft. All of the stoppings were blown out. The stoppings in the north entries were driven in a westerly direction and with the exception of one, all concrete-block stoppings were blown in a southerly direction.

Probable Point of Origin: The consensus of the Bureau of Mines investigators is that the explosion originated at the last crosscut turned north off No. 2 room off 3 north where the shuttle car was being repaired.

Factors Preventing Spread of Explosion: The explosion spread throughout the mine and out the shaft, dissipating into the atmosphere.

Summary of Evidence: Conditions observed in the mine during recovery operations and the investigation following the disaster, together with information obtained from company officials, State mine inspector, workmen, and mine records, provided evidence as to the cause and the point of origin of the explosion. The evidence from which the conclusions of the Federal investigators are drawn is summarized as follows:

1. Records of the preshift examinations of the mine indicated no unusual conditions.

2. The Illinois No. 6 coal bed in the area is "gassy." All abandoned mines surrounding this mine were classified gassy.

3. The roof bolter was apparently assisting the shooter prepare coal in room 2 off 1 north since this was common practice. The shearing strip in the Airdox shell indicated that the shell was discharged prior to the explosion.

4. The roof bolt machine was apparently parked in the 1 north entry at room 2 and the forces of the explosion rammed it into the loose coal at the face of room 2. The chuck of the roof bolt drill was imbedded about 8 inches into the partially blasted coal face. The shooter and roof bolter were the only persons working in the rooms off the 1 north entry.

5. The coal drill was the only piece of electrical face equipment in operation at the time of the explosion and had drilled a top hole about 4 feet in depth in the right corner of room 4 off the 3 north entry.

6. The mining machine was not in operation. It had been pulled back about 25 feet from the recently cut face of room 2 off 3 north and apparently the operator and his helper had just changed bits and were waiting to undercut the crosscut after the coal was loaded out.

7. The loading machine operator had loaded about 2 shuttle cars of coal out of the crosscut in room 2 and repositioned his loading machine and loaded about 500 pounds of coal into the shuttle car when he stopped loading to assist in repairing the disabled car.

8. The shuttle car was being repaired. The control panel cover had been removed, exposing contractors which readily would provide a source of ignition with the trailing cable connected to the source of power.

9. The workmen trying to repair the shuttle car apparently deenergized the power before work was done on the machine. The shift leader found near the nipping station may have energized the power to the shuttle car for test purposes, which in turn may have created the arc or spark within the open control panel.

10. On-shift examinations for gas were apparently not always made, since a flame

safety lamp was not found in the slightly damaged north working section after the explosion.

11. Methane probably entered the ventilating current from the abandoned closed north panel which was holed-through shortly after the start of the 4:00 p.m., shift and was carried by the ventilating current to where repairs were being made on the shuttle car.

12. Boreholes were not drilled in advance of the face when No. 1 room off the 1 north entry was being driven by the second shift crew within 50 feet of the abandoned north panel.

13. All forces emanated from room 2 off the 3 north entry.

14. Face equipment was fairly new, and with the exception of the roof-bolting machine which lacked only an approval plate, all the equipment was in permissible condition.

15. The coal is highly volatile, and the mine surfaces were dry, except at a few locations.

16. Coal dust in the immediate area entered into the explosion, which then picked up all the fuel necessary for propagation from the accumulations of coal throughout the north working section.

17. Smokers' articles were listed among the personal effects found on one of the victims of the explosion and an old discarded cigarette lighter found near the coal hopper indicated that smoking was practiced to some extent underground. Management did not have a searching program to assure that smokers' articles were not carried into the mine.

18. Fragile, globular particles of coke that would be indicative of slow burning gas were found adhering to the roof and ribs in No. 2 room off 3 north entry, in the 3 north entry, in the last open crosscut between Nos. 2 and 3 north entries, and in the last open crosscut between rooms 2 and 3 driven west in the abandoned north panel.

19. Plastered coke was observed on the roof and ribs at and near the intersection of the 3 east and 2 north haulage roads. Soot streamers were observed 100 feet inby the main shaft, in the abandoned north panel, in the entire north working section and to within 200 feet of the faces of the main east entries.

Cause of Explosion: The Federal inspectors are of the opinion that the disaster was caused by the ignition of methane in the air current in room 2 off 3 north entry at the entrance to the second north crosscut. Methane apparently entered the ventilating current from the abandoned north panel that had been penetrated. The gas was ignited by an arc or spark from the open control panel while repairs were being made on the shuttle car. Coal dust in the immediate area entered into the explosion, which then picked up all the fuel necessary for propagation from the accumulations of coal throughout the north working section.

RECOMMENDATIONS

1. Officials whose regular duties require them to inspect working places should have in their possession, and should use, when underground, a suitable permissible device capable of detecting methane and oxygen deficiency.

2. In all underground face workings in a gassy mine where electrically driven equipment is operated, examinations for methane should be made with a permissible flame safety lamp by a person trained in the use of such lamp before such equipment is taken into or operated in face regions, and frequent examinations for methane should be made during the operation of the equipment.

3. Whenever any working place in an underground mine approaches within 50 feet of abandoned workings in such mine, as shown by surveys made and certified by a competent engineer or surveyor, which cannot be inspected and which may contain dangerous accumulations of water or gas a borehole or boreholes should be drilled to a distance of at least 20 feet in advance of the working face of such working place. Such boreholes should be drilled sufficiently close to each other to insure that the advancing face will not accidentally hole through into such workings. Boreholes should also be drilled not more than eight feet apart in the rib of such working place to a distance of at least 20 feet and at an angle of forty-five degrees. Such rib holes should be drilled in one or both ribs of such working place as may be necessary for adequate protection of persons working in such place.

4. Coal dust and loose coal should not be permitted to accumulate in dangerous quantities in active underground workings of a mine.

5. Where rock dust is applied, it should be distributed by such methods to insure application to the top, floor, and sides of all open places and maintained in such quantity that the incombustible content of the combined coal dust, rock dust and other dust will not be less than 65 percent plus 1 percent for each 0.1 percent methane in the ventilating current.

6. The effectiveness of rock-dust applications should be determined as necessary.

7. The quantity of air reaching the last open crosscut in any pair or set of entries should not be less than 6,000 cubic feet a minute.

8. At least once each week, a properly certified or competent person should measure the volume of air entering the main intakes and leaving the main returns, the volume passing through the last open crosscut in each active entry, and the volume at the intake and return of each split. A record of such measurements should be kept in a book on the surface, and the record should be open for inspection by interested persons.

9. Tests for methane with a permissible flame safety lamp, a permissible methane detector, or by chemical analysis should be made at least once a week by the mine manager or other properly certified person designated by him in the return of each split where it enters in the main return, at seals and in the main return. A record of these examinations and tests should be kept at the mine.

10. Each day, the mine manager and each assistant should enter plainly and sign with ink of indelible pencil in a book provided for that purpose a report of the condition of the mine or portion thereof under his supervision, which report should state clearly the location and nature of any danger observed by them or reported to them during the day, and the report should state what action, if any, was taken to remedy such danger.

11. Permissible junction or distribution boxes should be used for making multiple-power connections in working places where dangerous quantities of methane may be present or may enter the air current.

12. Only flame-resistant trailing cables should be used underground.

13. Trailing cables should be provided with short-circuit protection.

14. Temporary splices in trailing cables should be made in workmanlike manner, mechanically strong and well insulated.

15. A program should be established to insure that trailing cables containing as many as five temporary splices will be removed from the equipment and service until such splices have been vulcanized.

16. The practice of smoking, carrying matches, lighters, and smoking materials underground should be prohibited, and management should initiate a search program to assure that smoker's articles are not carried into the mine.

17. The intentional creation of any arc, spark, or open flame should be prohibited, except as provided in Section 209(g)(6) of the Act.

18. Only development work necessary to connect the main opening with the air shaft should be done when opening a new mine.

19. A second means for men to escape from the mine in an emergency should be provided before the mine resumes operation.

20. Mine explosions, mine fires and fatal incidents should be reported immediately and by the quickest available means to the nearest office of the Federal coal-mine inspector or other representative of the Health and Safety Activity, United States Bureau of Mines.

ACKNOWLEDGMENT

The cooperation of the owner and employees, Illinois Department of Mines and Minerals, United Mine Workers of America and various coal companies in the area during this investigation is gratefully acknowledged.

Respectfully submitted.

ANALYSES OF AIR SAMPLES, MINE NO. 2, BLUE BLAZE COAL CO.

[Date collected: Jan. 13, 1962]

Location in mine	Bottle No.	Laboratory No.	Percent in volume: Carbon dioxide	Oxygen	Methane	Carbon monoxide	Nitrogen	Cubic feet of air per minute	Cubic feet in methane in 24 hours
SE air-course entry due north of power and sand borehole	A3787	14972	0.16	20.50	0.37	0.033	78.94		
4th haulage road 1 crosscut west of hoisting shaft	A3788	14973	.78	19.83	.19	0.12	79.08		
Return upcast shaft from small fan	A3799	14974	.06	20.80	.10	Present less than 0.01	79.04	2,000	2,900
Return upcast shaft from large fan	A3800	14975	.10	20.73	.21	do	78.96	3,000	9,100
3 E haulage road 5 feet east of power and sand borehole	A3858	14976	.06	20.75	.09	do	79.10		
4 E haulage road 5 feet east of power and sand borehole	A3859	14977	.10	20.75	.18	0.012	78.96		

[Date collected: Jan. 16, 1962]

Near face crosscut north off No. 2 room off 3 north off 7 east.	S239	15079	0.11	20.54	0.40	None	78.95		
Near face of No. 4 room west off abandoned north panels off 7 east.	A625	15080	.04	20.76	.20	do	79.00		
Last open crosscut between abandoned north panels off 7 east.	A626	15081	.15	20.74	.11	do	79.00		

ANALYSES OF DUST SAMPLES, MINE NO. 2, BLUE BLAZE COAL CO.

TABLE 2.—LAB. NOS, 28260-28261

[Date collected: Jan. 16, 1962]

Sample No.	Sample of dust from	Location in mine	Alcohol coke test	As received percent incombustible
		EXPLOSION SAMPLES		
1	Area	Track entry 1 and 2 northeast intersection.	Very large	30.4
2	Area	No. 2 room off 4 north, 50 feet inby room neck.	Large	29.8

ANALYSES OF DUST SAMPLES, MINE NO. 2, BLUE BLAZE COAL CO.

TABLE 3.—LAB. NOS. 28262-28281

[Date collected: Jan. 16, 1962]

Sample No.	Sample of dust from	Location in mine	Alcohol coke test	As received percent incombustible
		Samples collected on main north entries, 15 feet inby A entry off main east at 50-foot intervals:		
A-1		Entry not developed		
B-1	Floor		Very large	44.8
C-1	Band		Large	42.5
D-1		Too wet to sample		
A-2		Entry not developed		
B-2	Band		Large	36.7
C-2	do		Small	29.2
D-2	do		do	42.5
A-3		Entry not developed		
B-3	Band		Large	33.2
C-3	do		do	35.4
D-3	do		do	37.6
E-3	do		Small	36.4
		Samples collected in main east entries, 100 feet inby main shaft bottom:		
A-1	Band		Small	30.8
B-1	do		Large	48.4
C-1	Rib and floor		Small	43.9
D-1	Band		Large	50.3
E-1	do		Small	54.7
F-1	do		do	38.8
G-1	do		do	36.1
		Samples collected in main east entries, 325 feet inby main shaft bottom:		
A-2		Too wet to sample		
B-2		do		
C-2	Band		Large	39.9
D-2	do		do	37.1
E-2	do		Very large	41.1
F-2	do		do	42.2
G-2	do	Too wet to sample		

APPENDIX A.—VICTIMS OF EXPLOSION, MINE NO. 2, BLUE BLAZE COAL CO., JAN. 10, 1962

Name	Age	Occupation	Marital status	Number of dependents	Total years' experience in mines
1. John Barkus	54	Shuttle-car operator	Married	1	30
2. Ralph Brandon	50	Shooter	do	3	17
3. William Gartner	55	Loading-machine operator	do	1	30
4. Willie Gulley	43	Cager	do	2	15
5. George A. Horsley	55	Driller	do	3	30
6. Joseph H. Kimmel	44	Roof bolter	do	1	20
7. Melvin G. Ramsey	42	Cutting-machine man	do	2	20
8. Virgil Tanner	55	Motorman	do	3	30
9. Ira Williams	60	do	do	1	35
10. Roy Woodis	47	Shift leader	do	3	25
11. Ira Yewell	65	Cutting-machine man	do	1	40

This may be called a borderline case. Since the particular equipment was manufactured in compliance with Bureau standards, it would not be prohibited by the bill. The fact is, however, that the machine was in a condition of noncompliance with standards at the time of the ignition. It is also not arguable that 11 miners died in a mine when a spark ignited gas which the law said was not supposed to be there.

THREE OTHER IGNITIONS

In addition to this major disaster caused by sparks emitting from a large piece of equipment in a so-called nongassy mine, the Department of Interior reports that three ignitions, in 1944—Ohio, three injuries; in 1945—Virginia, two injuries; and in 1952—Pennsylvania, four injuries—had been caused by cutting machines which did not meet the department's standards. This same general type of equipment is still in use in the so-called nongassy mines today, but would be prohibited by the bill.

With this history, one should reach no other conclusion than to eliminate the artificial distinction recognized in the 1952 act.

Two arguments have been advanced against the judgment that safety required an elimination of the nongassy classification. One argument was economic, the other was practical.

COST TO SMALL MINE OPERATORS

The proponents of retaining this unsafe distinction contend that the cost of eliminating the distinction to the average small mine operator would be approximately $250,000 per mine. Estimates of the cost for all of the Nation's small mine operators have ranged from $100 to $300 million.

In addition to these astronomical economic figures, these proponents argue that it might take as long as 10 years, and even more, for the necessary equipment to become available.

Both the cost estimates and estimates of equipment availability were outrageously high because of basic erroneous assumptions. Both of these estimates were based on an assumption that the small mine operators, in order to comply, would have to purchase brandnew electrical equipment.

Before I explain, however, the facts as they developed, I should note that the latest Department of Interior estimates are that it may cost the Nation's small mine operators approximately $10,000 per mine, and, that equipment availability is a relatively small problem. Let me explain.

The Department of the Interior, many years ago, established a laboratory in Pittsburgh, Pa. One of the functions of this laboratory was to develop, experiment with, and test electrical equipment to insure that it was ignition-proof.

THE TESTING OF EQUIPMENT IN PITTSBURGH

Under schedule 2(G) of the department's regulations—the regulations governing approval of electrical equipment—the department's procedures require, under ordinary circumstances, that the equipment to be approved be sent to the Bureau's Pittsburgh laboratory for testing. In addition, the Bureau requires specifications, design drawings, descriptions, and application fees.

Ordinarily, under this procedure, a manufacturer of specialized mining equipment would submit a prototype to the Bureau of Mines. After rigorous testing, which may take up to 3 years, the equipment may be approved.

This procedure was adopted years ago without the need for considering the special problem it might create for the small mine operators. It is clear, and I readily admit, that if this is the procedure which must be followed, the extremely high cost estimates and time estimates, although perhaps still inflated, are close to reality.

Many small mine operators, using traditional American ingenuity, have manufactured homemade mining equipment. These pieces of equipment may differ from each other in each of the 3,000 small mines. There obviously is no pro-

totype which can be sent to Pittsburgh for inspection. Nor could any small mine operator afford the expense and delay that would be necessitated by such a procedure.

The key question, therefore, is how do we solve this problem of logistics? The small mine operator could convert his homemade equipment to assure its safe operation with relatively little cost, if the department could bring its approval system to the small mine; if, so to speak, Pittsburgh could be moved to Kentucky.

FIELD APPROVAL SYSTEM

The bill, therefore, should provide, as my amendment does, the authority to the Secretary of the Interior to adopt a field approval system, under which the equipment used by small mine operators can be tested at the mine for ignition prevention and other safety characteristics. This relatively simple solution will not only permit the conversion of equipment in a shorter period of time than originally estimated, but at a clearly reduced cost to the small mine operator. Yet, it will not lower the safety standards; it will not sacrifice the miners' safety to economic considerations.

As far as the economic considerations are concerned, the Department of Interior has conducted a nationwide survey for the other body of 10 small nongassy mines in each of nine States including Kentucky, Virginia, West Virginia, Tennessee, Illinois, Ohio, Pennsylvania, Colorado, and Utah. The results of this survey by the Department of the Interior are as follows:

TABLE III

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., August 29, 1969.

DEAR SENATOR WILLIAMS: Enclosed are two attachments (A & B) in response to your letter of July 5, 1969, requesting further information on the cost of changing nonpermissible electric face equipment in underground coal mines to permissible condition under the procedures (Schedule 2-G) of the Bureau of Mines. These procedures are primarily designed to assure that such equipment, if maintained in permissible condition, will not emit a spark or arc and cause a mine fire or explosion.

The first of these attachments is an updating and correction of estimates previously prepared and supplied to your subcommittee in relation to the cost of changing non-permissible equipment to permissible and the time needed to accomplish it.

The other attachment is the results of a survey of underground coal mines conducted, at your request, by the Bureau of Mines in each of the 9 major coal producing States. The survey was undertaken through the Bureau's district offices and compiled here. While it included some contact with the industry, repair shops, and equipment manufacturers, it is largely a paper survey based on records and data of the Bureau, including inspection reports, etc. We have discussed informally the results of the survey with your staff.

At the request of your staff, we checked, after completing the survey, on whether a bias had been introduced inadvertently due to the small number of mines sampled in the 9 States. Time did not permit a greater sampling. We have concluded that the samples for at least 3 of the States, Virginia, Kentucky, and West Virginia, are not truly typical of the small mines in those States. Thus, a bias was, in fact, inadvertently introduced.

From the survey we have, at your request, estimated the cost of making this equipment permissible either by conversion or rebuilding it. The estimates are as follows:

	Estimated costs
A. Small nongassy mines:	
Cost of "conversion" [1] of all equipment:	
1. Nine States only	$37,000,000
2. Country-wide basis (by extrapolation from data)	42,500,000
Cost of upgrading or using rebuilt equipment:	
1. Nine States only	54,882,580
2. Country-wide basis (by extrapolation from data)	63,000,000
B. Large nongassy mines:	
Cost of upgrading or using rebuilt equipment: [2]	
1. Seven States only	13,475,650
2. Country-wide basis	18,100,000

[1] Assume field permissibility approval will be feasible even for equipment that had never had permissible approval.

[2] Assumes that all equipment could be upgraded and none would be converted.

You also requested that we provide an estimate, based on the survey, of the costs of making this equipment permissible, through conversion, upgrading, purchasing rebuilt or purchasing new, in the case of those gassy mines with "grandfathered" equipment is still permitted under the 1952 Act. The estimates are as follows:

Grandfathered equipment, all gassy mines:	
Cost to upgrade	$3,591,350
Cost of rebuild	14,158,060
Cost new	36,951,170

Because of the bias mentioned above, you also asked if we could use the survey and make some estimates taking the bias into account. Probably the most appropriate way to make such an estimate is to use an average of the capital cost per yearly ton of coal produced. For these larger and more efficient mines covered by the survey a mine producing 20,000 tons per year would require an investment of about $16,000. If the equipment were used for 20 years this would represent a cost of 4 cents per ton of coal mined. There is, however, some tonnage produced in hand loaded mines where permissible equipment would not be required. On the other hand, smaller mechanized mines, also not included in the survey, would be expected to have a higher investment per daily ton than those included in the survey. In our estimate, we have assumed that these two factors to be in balance.

Using this method then, the cost for the small non-gassy mines for the country as a whole to convert or rebuild the equipment would be $30 million.

If all the equipment could be converted rather than using a combination of conversion and rebuilt equipment, the cost would be about $21 million.

The total cost can thus be estimated at:

	Millions
Grandfathered equipment (all upgraded)	$3.6
Cost of upgrading or using rebuilt equipment in large non-gassy mines	18.1
Cost for converting or using rebuilt equipment in small non-gassy mines	30.0
	51.7

These figures are lower than those in Attachment A because we have assumed that the new concept of conversion which we have discussed with your staff using field approval for permissibility will be possible and because the size of the sample in the latest survey introduced a bias. Since, in fact, the upgrading of non-permissible equipment would be expected to be a mixture of field conversion and purchase of rebuilt or new equipment a more realistic cost estimate would be between $50 and $60 million. It is probable, however, that some portion of this sum would be expended anyway due to normal replacement needs.

Another cost is that of the Government which would be appreciably higher if all the equipment were converted, since it would involve a large increase in the man-hours required for field inspections of field converted and approved equipment.

Sincerely yours,

HOLLIS M. DOLE,
Assistant Secretary of the Interior.

Hon. HARRISON A. WILLIAMS, Jr.,
Chairman, Senate Labor Subcommittee,
U.S. Senate, Washington, D.C.

ATTACHMENT A

GENERAL COMMENT ON ELECTRIC FACE EQUIPMENT

COST OF BRINGING EQUIPMENT TO PERMISSIBLE CONDITION

Any attempt to estimate the cost of replacing and/or overhauling electric face equipment to meet the permissibility requirements, particularly that over 25 h.p., is difficult to make. The Bureau of Mines has not had the advantage of obtaining such estimates from the industry, although we have had some discussions along this line. Despite this shortcoming, we believe it is possible, by using two different methods of making the estimates, to provide a range of costs that are most probable. The details of making these estimates are attached as Appendix A.

Using method 1, the costs would range from about $110 to $219 million. Using method 2, they would range from about $69 to $330 million with a "reasonable" estimate by this method being about $155 million.

Typical sizes and costs of electrical equipment used underground are shown in Table 7 and published costs of new large equipment are shown in Table 8.

TIME REQUIRED

Data on which to base estimates of the time required to replace nonpermissible equipment are also difficult to obtain. In Appendix B, an attempt has been made to determine what the time parameters might be. Although the data are limited, it appears that a minimum of eight years might be required if the manufacturers could triple their sales capacity. It may, however, be as much as ten years if an adjustment is made for the fact that some of the equipment now sold is nonpermissible. On the other hand, these estimates are biased on the high side since there is no allowance for those pieces of equipment that are converted or those that might be bought new.

It is also important to recognize that manufacturers will probably give preference to their present customers and will prefer to use their capacity to produce new equipment rather than provide parts for replacement purposes. Also, the mine operator will have to consider whether he should replace, or, if the equipment can be made permissible, whether he should overhaul it for this purpose.

In summary, these are conservative estimates based on the best knowledge available. We believe it is possible, given the legislative directives in the bill and the incentives to the coal mining industry, that this period could be shortened considerably. But this possibility must be tempered by the knowledge that the equipment manufacturers may not gear up to provide the necessary capacity. Certainly ten years to complete this transition is too long a period, although we believe anything less than four years would not be realistic from the standpoint of available equipment and the potential costs involved.

APPENDIX A

1. Method 1

Large Mines

In West Virginia (District B), a recent survey was made of nonpermissible equipment in mines. It was found that there were 182 nonpermissible machines in 84 large mines. The survey did not show whether the equipment was ever permissible or whether it could be made permissible. Extrapolating the data to the 400 large mines in the State showed that there would be about 840 nonpermissible machines in operation in large mines. Table 1 shows the cost of new equipment for a continuous miner section and for a conventional miner section. The average large mine in West Virginia has one conventional section and one continuous miner section so that for large mines the cost of new equipment would be: $840 \times \$43,900 = \$36,000,000$.

Table 2 shows the cost of rebuilt permissible equipment for both a conventional and continuous miner section. If all mines used rebuilt equipment, the replacement cost would be: $840 \times \$17,800 = \$14,600,000$.

Small Mines

In the West Virginia survey, it was found that there were 85 nonpermissible face machines in operation in the 22 mines surveyed. Again the survey did not show whether the equipment was ever permissible or whether it could be made permissible. Extrapolating the data to 800 small mines in the State showed there would be 3100 nonpermissible machines in operation. Table 3 shows the costs of rebuilt equipment, if available, that might be used in these typical mines (this type of mine could not afford new equipment). The total cost of converting to rebuilt equipment would be: $3100 \times \$2700 = \$8,400,000$.

Similar calculations were made for the other Health and Safety districts of the Bureau of Mines using these approximate equipment costs but with modifications to reflect local conditions. For example, in District D no costs were included for continuous miners since all continuous miners in the District were permissible. Using this method, the estimates in the following table were calculated:

COSTS TO BRING NON-PERMISSIBLE EQUIPMENT TO PERMISSIBLE CONDITION

[In millions of dollars]

District	Number of nonpermissible units	Large mines		Small mines rebuilt	Range
		New	Rebuilt		
A	880	18.0	7.0	1.5	
B	3,940	36.0	14.6	8.4	
C	10,375	120.0	48.0	22.5	
D	485	20.0	6.5	(1)	
E	230	2.4	.6	.8	
Total	15,910	196.4	76.7	33.2	229.6-109

[1] Included in large mine figures.

2. METHOD 2

Small mines: The number of mines and amount of production classified by gassy or nongassy and by large and small are shown in Tables 4 and 5. Table 6 gives the costs of bringing an average sized small one shift nongassy coal mine to meet gassy mine standards for three conditions—upgrading the equipment, assuming it had once been permissible, purchasing *used* equipment, and purchasing *new* permissible equipment. The information in Table 6 represents a cost per ton of $1.00, $1.40, and $5.60 for upgrading, purchasing used, and purchasing new equipment. Using this data and that in Table 5, the following can be calculated:

Small mines:	*Millions*
Upgrading, $1/ton \times 39,000,000 tons	$39
Used, $1.40/ton \times 39,000,000 tons	55
New, $5.60/ton \times 39,000,000 tons	220

Large mines: Using the data in Tables 1 and 2, extrapolating the "upgrading cost", and combining that with the data in Table 5, the following costs were calculated:

	Millions
Upgrading $0.30/ton	$30
Purchasing used permissible equipment:	
Continuous miner $0.40/ton	40
Conventional miner $0.40/ton	40
Purchasing new permissible equipment:	
Continuous miner $0.80/ton	80
Conventional miner $1.10/ton	110

Assuming that all mines could be "upgraded", would give the lowest estimate of $69 million. Assuming all mines would purchase new equipment, would give the highest estimate of $330 million. A "reasonable" estimate would have the large mines purchasing about one half of their needs in new equipment and about one fourth upgrading and one fourth purchasing used equipment for a total cost of about $110 million. The small mines would upgrade when they could and purchase used equipment, if available, for the balance of their needs so that total costs might be about $45 million for small mines with an overall cost of $155 million.

APPENDIX B

1. Amount of Equipment Now in Use: The total amount of equipment now in use underground and the amount purchased in 1968 are shown in Table 9. The data were obtained from the Minerals Yearbook of the Bureau of Mines, the annual article published by Coal Age on equipment purchased and from the Department of Commerce publication on Mining Machinery and Equipment of Current Industrial Reports. It is not known how much of the equipment sold is nonpermissible and how much is permissible, although most coal cutting large equipment is probably manufactured so that it meets permissibility tests.

Assuming that the manufacturers were able to triple their selling rate, it would take a minimum of eight years to replace existing nonpermissible equipment in coal mines, if all the equipment being manufactured were of the permissible type and all the nonpermissible equipment were replaced with new equipment. The available data is based on sales, thus we cannot estimate what the production capacity is. Since some of the equipment sold is nonpermissible and it would take new manufacturers some time to design equipment and obtain permissibility approval of the Bureau of Mines, the total replacement time could be even greater again assuming that all of the nonpermissible equipment is replaced rather than repaired.

TABLE 1.—*New equipment*

Continuous miner section:	
1 CM 35Y miner	$121,000
2 16SC shuttle cars	80,000
1 Galis 300 roof-bolter	16,000
Conventional section:	
1 14BU10 loader	60,000
2 18SC shuttle cars	76,000
1 Galis 300 roof-bolter	16,000

TABLE 1.—*New equipment*—Continued

Conventional section—Continued	
1 Joy coal drill	$20,000
1 16RB cutting machine	84,000
1 Supply tractor	10,000
Total price of face equipment (11 pieces)	483,000
Average price of one permissible machine ($483,000 divided by 11)	43,900

TABLE 2.—*Rebuilt equipment*

1 CM 35Y	$75,000
2 6SC shuttle cars	20,000
1 Galis 300 roof-bolter	9,000
1 14BU9 loader	22,500
1 Galis 300 roof-bolter	9,000
2 10SC shuttle cars	12,500
1 Joy coal drill	12,500
1 11RU cutting machine	30,000
1 supply tractor	6,000
Total price of face equipment (11 pieces)	196,500
Average price per rebuilt permissible machine ($196,500 divided by 11)	17,800

TABLE 3.—*Rebuilt equipment*

2 bottom cutting machines	$5,000
1 T–2 utility truck	3,000
2 permissible battery tractors and trailers	13,000
3 hand-held drills	450
Total	21,450
Average price of replacement machine ($21,450 divided by 8)	2,700

TABLE 4.—*Number of underground bituminous and anthracite mines (1967 and 1968 data)*

Large:	
Gassy	300
Nongassy	573
Total	873
Small:	
Gassy	150
Nongassy	2,755
Total	2,905

TABLE 5.—*Production of underground bituminious and anthracite mines*

[Millions of tons]

Large:	
Gassy	208
Nongassy	101
Total	309
Small:	
Gassy	2
Nongassy	39
Total	41

Estimated costs of converting one section of an average size small 1-shift nongassy coal mine to meet gassy mine standards

A

Average number of men employed at the mine	6
Average number of men employed in the section	5
Average annual production (tons)	15,000

B

The average section in a small mine now uses two bottom cutting machines, one T–2 truck for tramming the cutting machines, three drag cable shuttle cars, and three hand-held drills. All of these pieces of equipment are nonpermissible type.

C

The cost of *converting* these pieces of nonpermissible-type equipment to permissible-type is:

Bottom cutting machine (2 at $1,000 each)	$2,000
T–2 truck (1 at $500 each)	500

Drag cable shuttle car (not practical to convert, must purchase 2 battery tractors (used) at $6,500 each)	$13,000
Hand-held drill (3 at $150 each)	450
Total	15,950

D

The cost of purchasing used permissible-type equipment is:

Bottom cutting machine (2 at $2,500 each)	$5,000
T-2 truck (1 at $3,000 each)	3,000
Battery tractor (2 at $6,500 each)	13,000
Hand-held drills (3 at $150 each)	450
Total	21,450

E

The cost of purchasing new permissible-type equipment is:

Modern rubber-tired cutting machine (1 at $60,000 each)	$60,000
Battery tractor (2 at $12,000 each)	24,000
Hydraulic drill (1 at $300 each)	300
Total	84,300

F

The cost of maintaining permissible-type electric face equipment in permissible condition is 16½ cents per ton.

G

Other costs of converting from nongassy to gassy status: $2,500 initial outlay for improvements in ventilation, purchase of a recording pressure gage, and methane detectors.

TABLE 7.—Estimated Size and Cost of New Electrical Equipment Used in Coal Mines May 27, 1969

Coal drill: ¾ hp to 50 hp (Maximum horsepower of hand-held drills =3) $300 to $25,000.

Loader: 20 hp to 140 hp, $30,000 to $80,000.

Shuttle car: 3 hp to 160 hp, $5,000 to $50,000.

Tractor (battery): 5 hp to 35 hp, $3,000 to $20,000.

Telephone, $20 to $800.

Longwall equipment: 175 hp to 400 hp, $750,000 to $2,000,000.

Rectifier: 40 kw to 1,000 kw, $1,000 to $40,000.

Transformer: 5 kva to 1,000 kva, $500 to $45,000.

Rock duster: 3 hp to 100 hp, $1,300 to $80,000.

Car spotter and car hoist: 5 hp to 20 hp, $5,000 to $25,000.

Roof bolter: 3 hp to 40 hp, $2,500 to $35,000.

Cutting machine: 35 hp to 425 hp, $2,500 to $125,000.

Continuous miner: 50 hp to 600 hp, $50,000 to $200,000.

Methane detector with charging equipment, $273.

Methane detector, $2,000 to $2,500.

Mine lamp and charging equipment, $55.

Mine fan: 10 hp to 500 hp, $300 to $100,000.

Hoist: 20 hp to 500 hp, $40,000 to $100,000.

Pump: 1 hp to 500 hp, $100 to $25,000.

Electric locomotive: 40 hp to 400 hp, $12,000 to $150,000.

Personnel carrier: 10 hp to 25 hp, $6,500 to $20,000.

Belt drive: 25 hp to 600 hp, $2,000 to $35,000.

Belt feeder: 7½ hp to 50 hp, $2,000 to $25,000.

Battery charger: 5 kw to 50 kw, $1,000 to $8,000.

Air compressor: 1 hp to 100 hp, $300 to $50,000.

Auxiliary fan: 5 hp to 15 hp, $1,500 to $2,500.

Cap lamp with battery, $32.50.

TABLE 8.—*Cost of new equipment*

Joy Manufacturing Co.:	
14 BU loading machine	$53,000
15 RU cutting machine	76,000
RBD-15 roof bolter	14,500
10 SC shuttle car	43,000
16 SC shuttle car	40,000
18 SC shuttle car	40,000
CB-71A coal drill	37,000
8 CM continuous miner	129,000
1 CM continuous miner	159,000
6 CM continuous miner	150,000
9 CM continuous miner	123,000
Jeffrey Manufacturing Co.:	
70 URB cutting machine	75,000
202 loading machine	65,000
203 loading machine	85,000
RAM car	55,000
Heliminer continuous miner	200,000
120 Heliminer miner	180,000
100 L miner	65,000
Bridge conveyor	22,000
Cost of rebuilt equipment:	
Lee Norse miner	75,000
Joy NSC shuttle car	20,000
Galis roof drill	9,000
Joy 14 BU loader	22,500
Joy CD-71A coal liner	12,500
Joy RU cutting machine	30,000

TABLE 9.—NEW EQUIPMENT PURCHASED AND EQUIPMENT IN USE IN UNDERGROUND BITUMINOUS MINES (1968)

	Col. 1 in use	Col. 2 purchased	Expected life col. 1/col. 2 years
Drills	9,600	[1] 540	18
Shuttle cars	5,100	380	13
Continuous mining machine	1,410	240	[2] 6
Mobile loading machine	2,520	[1] 650	[1] 4
Coal cutting machine	4,780	115	[2] 42
Total	23,410	1,925	12

[1] All mining—must be corrected for metal mines.
[2] The trend toward the use of continuous miners with a decrease in conventional coal cutting machine is reflected by these figures.

PENNSYLVANIA

[Underground employment, 65; daily production (tons), 1,200]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Joy 14 BU loading machines	X		[1] Nil	[2] 25,000
6 Joy 18 SC shuttle cars	X		[1] Nil	[2] 18,000
3 Galis roof bolting machines	X		[1] Nil	[2] 9,000
2 Lee Norse 28 E continuous miners	X		[1] Nil	[2] 30,000
2 Joy 12 RB cutting machines	X		[1] Nil	[2] 25,000
2 Kersey battery tractors	X		[2] 2,900	[2] 3,700

[1] Equipment is maintained in permissible condition.
[2] Each.

Note: This mine represents 6 mines in a group employing 51 to 70 men.

[Underground employment, 81; Daily production (tons), 1,500]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
4 Jeffrey 100 L continuous miners	X		[1] Nil	[2] 32,000
4 Jeffrey 94 D bridge conveyors	X		[1] Nil	[2] 4,000
2 S. & S. battery tractors	X		[1] Nil	[2] 3,000
4 S. & S. battery tractors		X	[2] 2,900	[2] 3,600

[1] Equipment is maintained in permissible condition.
[2] Each.

Note: This mine represents 3 mines in a group employing 71 to 90 men.

COST OF CONVERTING ELECTRIC FACE EQUIPMENT IN LARGE NONGASSY COAL MINES TO PERMISSIBLE STATUS,[1] JULY 1969

State and employment group	Number of mines in group	Cost per large representative nongassy mine	Total cost	Data on representative mine: Employment	Data on representative mine: Daily production
Kentucky:					
15 to 49	89	$42,000	$3,738,000	28	400
50 to 99	14	37,000	518,000	68	2,000
100 to 149	6	73,000	438,000	137	2,000
150 to 199	5	95,500	477,500	160	3,700
200 to 249	3	246,500	739,500	223	3,700
Total			5,911,000		
Ohio:					
15 to 30	1	12,200	12,200	24	200
31 to 50	1	([2])	([2])	41	200
51 to 70	3	([2])	([2])	63	2,500
71 to 90	1	([2])	([2])	80	3,000
91 and over	2	([2])	([2])	99	4,000
Total			[3] 12,200		
West Virginia:					
15 to 24	80	12,100	968,000	20	800
25 to 64	63	22,700	1,430,100	45	1,200
65 to 99	24	46,800	1,123,200	81	1,735
100 to 130	8	49,200	393,600	125	2,800
131 to 199	7	40,400	282,800	180	3,750
200 to 450	4	10,500	24,000	230	5,500
Total			4,239,700		
Grand total			13,475,650		

[1] Basic data were developed by selecting representative mines by employment groups in each State, getting the actual number of pieces of electric face equipment in use, by type of equipment and whether permissible or nonpermissible type, in the representative mine in each group, then finally getting from the mine management and local mine equipment rebuilding shops the estimated cost of converting the equipment to permissible status.
[2] Nil.
[3] Most of this equipment is maintained in permissible condition and the converting cost is low.

[Underground employment, 34; daily production (tons), 500]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
3 Wilcox continuous miners	X		[1] Nil	[2] 10,000
2 Kersey battery tractors		X	[2] 2,900	3,700

[1] Equipment is maintained in permissible condition.
[2] Each.

Note: This mine represents 5 mines in a group employing 31 to 50 men.

COST OF CONVERTING ELECTRIC FACE EQUIPMENT IN LARGE NONGASSY COAL MINES TO PERMISSIBLE STATUS, JULY 1969

State and employment group	Number of mines in group	Cost per large representative nongassy mine	Total cost	Data on representative mine: Employment	Data on representative mine: Daily production
Virginia:					
15 to 49	31	56,450	$1,749,950	22	255
50 to 99	4	44,000	176,000	93	1,485
100 to 149	2	144,000	288,000	130	1,300
150 to 199	1	118,500	118,500	150	2,400
200 to 249	1	89,500	89,500	211	3,700
Total			2,421,500		
Pennsylvania:					
15 to 30	37	7,000	259,000	17	240
31 to 50	5	2,900	14,500	34	500
51 to 70	6	5,800	34,800	65	1,200
71 to 90	3	11,600	34,800	81	1,500
91 and over	2	Nil	Nil	96	3,000
Total			343,100		
Tennessee:					
15 to 49	18	18,000	324,000	24	400
50 to 99	1	46,000	46,000	50	1,200
100 to 149	1	43,500	43,500	106	2,100
200 to 249	1	62,000	62,000	247	5,000
Total			475,800		
Alabama:					
15 to 49	3	12,450	37,350	15	75
50 to 99	1	35,000	37,000	96	1,000
Total			72,350		

PENNSYLVANIA

[Underground employment, 17; daily production (tons), 240]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 14 BU loading machine	X		[1] Nil	25,000
1 Joy 10 RU cutting machine	X		[1] Nil	30,000
1 Joy 6 SC shuttle car	X		[1] Nil	18,000
Do		X	7,000	18,000

[1] Equipment is maintained in permissible condition.

Note: This mine represents 37 mines in a group employing 15 to 30 men.

[Underground employment, 65; daily production (tons), 1,200]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Joy 14 BU loading machines	X		[1] Nil	[2] 25,000
6 Joy 18 SC shuttle cars	X		[1] Nil	[2] 18,000
3 Galis roof bolting machines	X		[1] Nil	[2] 9,000
2 Lee Norse 28 E continuous miners	X		[1] Nil	[2] 30,000
2 Joy 12 RB cutting machines	X		[1] Nil	[2] 25,000
2 Kersey battery tractors		X	[2] 2,900	[2] 3,700

[1] Equipment is maintained in permissible condition.
[2] Each.

Note: This mine represents 6 mines in a group employing 51 to 70 men.

[Underground employment, 96; daily production (tons), 3,000]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
4 Joy 14 BU loading machines	X		[1] Nil	[2] 25,000
8 Joy 18 SC shuttle cars	X		[1] Nil	[2] 18,000
4 Fletcher roof bolting machines	X		[1] Nil	[2] 7,500
4 Joy 12 RU cutting machines	X		[1] Nil	[2] 30,000
4 Joy mobile drills	X		[1] Nil	[2] 20,000

[1] Equipment is maintained in permissible condition.
[2] Each.

Note: This mine represents 2 mines in a group employing 91 men and over.

PENNSYLVANIA—Continued

[Underground employment, 96; daily production (tons), 3,000]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used/rebuilt permissible equipment
4 Joy 14 BU loading machines	X		[1] Nil	[2] 25,000
8 Joy 18 SC shuttle cars	X		[1] Nil	[2] 18,000
4 Fletcher roof bolting machines	X		[1] Nil	[2] 7,500
4 Joy 12 RU cutting machines	X		[1] Nil	[2] 30,000
4 Joy mobile drills	X		[1] Nil	[2] 20,000

[1] Equipment is maintained in permissible condition.
[2] Each.

Note: This mine represents 2 mines in a group employing 91 men and over.

OHIO

[Underground employment, 24; daily production (tons), 200]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Jeffrey cutting machines		X	[1] 6,000	[1] 6,000
1 Jeffrey hand-held drill		X	200	200

[1] Each.

Note: This is the only mine in a group employing 15 to 30 men.

[Underground employment, 41; daily production (tons), 200]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Lee Norse continuous miner	X		[1] Nil	30,000
2 Jeffrey ram cars	X		[1] Nil	[2] 25,000
1 Fletcher roof bolting machine	X		[1] Nil	7,500

[1] Equipment is maintained in permissible condition.
[2] Each.

Note: This is the only mine in a group employing 31 to 50 men.

[Underground employment, 63; Daily production (tons), 2,500]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Joy loading machines	X		[1] Nil	[2] 25,000
2 Joy 10 RU cutting machines	X		[1] Nil	[2] 30,000
2 Joy 16 SC shuttle cars	X		[1] Nil	[2] 18,000
2 Galis roof bolting machines	X		[1] Nil	[2] 6,000
2 Long mobile drills	X		[1] Nil	[2] 10,000

[1] Equipment is maintained in permissible condition.
[2] Each.

Note: This mine represents 3 mines in a group employing 51 to 70 men.

[Underground employment, 80; daily production (tons), 3,000]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
3 Joy loading machines	X		[1] Nil	[2] 25,000
3 Joy 10 RU cutting machines	X		[1] Nil	[2] 30,000
3 Joy 16 SC shuttle cars	X		[1] Nil	[2] 18,000
3 Galis roof bolting machines	X		[1] Nil	[2] 6,000
3 Long mobile drills	X		[1] Nil	[2] 10,000

[1] Equipment is maintained in permissible condition.
[2] Each.

Note: This is the only mine in a group employing 71 to 90 men.

OHIO—Continued

[Underground employment, 99; daily production (tons), 4,000]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
4 Joy loading machines	X		[1] Nil	[2] 25,000
4 Joy 10 RU cutting machines	X		[1] Nil	[2] 30,000
4 Joy 16 SC shuttle cars	X		[1] Nil	[2] 18,000
4 Galis roof bolting machines	X		[1] Nil	[2] 6,000
3 Long mobile drills	X		[1] Nil	[2] 10,000

[1] Equipment is maintained in permissible condition.
[2] Each.

Note: This mine represents 2 mines in a group employing 91 men or over.

WEST VIRGINIA

[Underground employment, 20; daily production (tons), 800]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 10 RU cutting machine	X		2,500	25,000
2 Joy 5 SC shuttle car		X	[1] 2,800	[1] 10,000
1 Joy 14 BU 8 AE loading machine	X		2,000	18,000
1 Fletcher roof-bolting machine		X	2,000	5,000

[1] Each.

Note: This mine represents 80 mines in a group employing 15 to 24 men.

[Underground employment, 45; daily production (tons), 1,200]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 14 BU–10 loading machine	X		1,000	32,500
1 Joy 11 RU cutting machine	X		2,500	32,500
4 Joy 18 SC shuttle cars	X		[1] 2,800	[1] 22,000
2 Kersey battery tractors		X	[1] 2,500	[1] 6,500
1 Galis 410 mobile drill	X		500	12,500
1 Galis 300 roof bolting machine	X		500	9,000
1 Lee Norse 26 H continuous miner	X		2,000	75,000

[1] Each.

Note: This mine represents 63 mines in a group employing 26 to 64 men.

[Underground employment, 81; daily production (tons), 1,735]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
5 Joy 14 BU–10 loading machines	X		[1] 1,000	[1] 32,500
3 Joy 16 RB cutting machines	X		[1] 2,500	[1] 50,000
2 Joy 12 RB cutting machines	X		[1] 2,500	[1] 25,000
6 Joy 18 SC shuttle cars	X		[1] 2,800	[1] 22,000
5 Galis 300 roof bolting machines	X		[1] 500	[1] 9,000
1 Galis 4100 mobile drill	X		500	12,500
1 Galis 410 mobile drill	X		500	12,500
3 Long TDF–10 mobile drills	X		[1] 500	[1] 5,000
2 S. & S. battery tractors		X	[1] 2,500	[1] 6,500
1 Kersey battery tractor		X	2,500	6,500

[1] Each.

Note: This mine represents 24 mines in a group employing 65 to 99 men.

[Underground employment, 125; daily production (tons) 2,800]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
3 Joy 14 BU–10 loading machines	X		[1] 1,000	[1] 32,500
2 Joy 1 JCM continuous miners	X		[1] 2,000	[1] 75,000
2 Joy 15 RU cutting machines	X		[1] 2,500	[1] 50,000
7 Joy 10 SC shuttle cars	X		[1] 2,800	[1] 6,250
2 Fletcher roof bolting machines	X		[1] 500	[1] 5,000
2 Long TDF-24 mobile drills	X		[1] 500	[1] 5,000
4 S. & S. battery tractors	X		[1] 2,500	[1] 6,500
2 Joy 6 SC shuttle cars		X	[1] 2,800	[1] 10,000

[1] Each.

Note: This mine represents 8 mines in a group employing 100 to 130 men.

WEST VRIGINIA—Continued

[Underground employment, 180; daily production (tons), 3,750]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Joy 15 RW cutting machines	X		[1] 2,500	[1] 50,000
2 Joy 11 RW cutting machines	X		[1] 2,500	[1] 25,000
4 Joy 14 BU–10 loading machines	X		[1] 1,000	[1] 32,500
8 Joy 10 SC shuttle cars	X		[1] 2,800	[1] 6,250
4 Galis 300 roof bolting machines	X		[1] 500	[1] 9,000
4 Long TDF–24 mobile drills	X		[1] 500	[1] 5,000

[1] Each.

Note: This mine represents 7 mines in a group employing 131 to 199 men.

[Underground employment, 230; daily production (tons), 5,500]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
4 Lee Norse CM 48 continuous miners	X		[1] 300	[1] 75,000
4 Joy JCM8 continuous miners	X		[1] 300	[1] 65,000
10 Joy 10 SC shuttle cars	X		[1] 300	[1] 6,250
6 Jeffrey ram cars	X		[1] 300	[1] 10,000
5 Galis 320 roof bolting machines	X		[1] 300	[1] 15,000
4 Acme mobile drills	X		[1] 300	[1] 7,000
1 Long 88 loading machine	X		300	12,000
1 Long mobile drill	X		300	5,000

[1] Each.

Note: This mine represents 4 mines in a group employing 200 to 450 men.

VIRGINIA

[Underground employment, 22; daily production (tons), 255]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffrey B SW cutting machine		X	5,000	20,000
2 Jeffrey BB SW cutting machines		X	[1] 5,000	[1] 20,000
1 Joy 14 BU loading machine	X		2,500	20,000
1 Joy 12 BU loading machine	X		2,500	20,000
3 Black and Decker hand held drills		X	[1] 150	[1] 150
6 Osborne battery tractors		X	[1] 6,000	[1] 6,000

[1] Each.

Note: This mine represents 31 mines in a group employing 15–49 men.

[Underground employment, 93; daily production (tons), 1,485]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
3 Joy 16 RB cutting machines	X		[1] 2,000	[1] 40,000
4 Goodman 964 loading machines	X		[1] 1,500	[1] 35,000
4 Acme D–2 roof-bolting machines	X		[1] 1,000	[1] 8,000
2 Acme D–3 roof-bolting machines	X		[1] 1,000	[1] 8,000
3 Long mobile drills	X		[1] 4,000	[1] 10,000
3 Goodman shuttle cars	X		[1] 2,000	[1] 15,000
2 Joy 8 SC shuttle cars	X		[1] 2,000	[1] 20,000
2 Joy 6 SC shuttle cars	X		[1] 2,000	[1] 15,000

[1] Each.

Note: This mine represents 4 mines in a group employing 50 to 99 men.

[Underground employment, 130; daily production (tons), 1,300]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Goodman 512 cutting machines	X		[1] 6,000	[1] 40,000
3 Joy 10 RU cutting machines	X		[1] 6,000	[1] 40,000
2 Joy 11 RU cutting machines	X		[1] 6,000	[1] 40,000
4 Joy 14 BU–7 loading machines	X		[1] 3,000	[1] 20,000
2 Joy 14 BU–3 loading machines	X		[1] 3,000	[1] 20,000
1 Jeffrey 81 CW loading machine	X		6,000	25,000
3 Fletcher roof bolting machines	X		[1] 3,000	[1] 8,000
1 Joy CV–26 mobile drill	X		3,000	10,000
2 Joy 10 SC shuttle cars	X		[1] 4,000	[1] 20,000
4 Jeffrey MT 66 shuttle cars	X		[1] 4,000	[1] 20,000
3 Kersey battery tractors	X		[1] 2,000	[1] 6,000
6 Osborne battery tractors	X		[1] 6,000	[1] 6,000

[1] Each.

Note: This mine represents 2 mines in a group employing 100 to 149 men.

VIRGINIA—Continued

[Underground employment, 150; daily production (tons), 2,400]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
3 Joy 10 RU cutting machines	X		[1] 3,000	[1] 40,000
5 Goodman loading machines	X		[1] 6,000	[1] 35,000
5 Fletcher roof bolting machines	X		[1] 1,000	[1] 8,000
1 Galis roof bolting machine	X		2,500	8,000
3 Lee Norse 32 y continuous miners	X		[1] 5,000	[1] 40,000
1 Lee Norse 35 y continuous miner	X		5,000	60,000
11 Goodman 670 shuttle cars	X		[1] 4,000	[1] 20,000
2 Goodman 680 shuttle cars	X		[1] 4,000	[1] 20,000

[1] Each.

Note: This is the only mine in a group employing 150 to 199 men.

[Underground employment, 211; daily production (tons) 3,700]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 11 RU cutting machine		X	6,000	40,000
2 Jeffrey 300 cutting machines	X		[1] 1,000	[1] 40,000
2 Joy 14 BU–8 loading machines	X		[1] 1,500	[1] 25,000
1 Jeffrey almc loading machine	X		1,500	35,000
1 Jeffrey A–1aH loading machine	X		8,000	35,000
3 Fletcher roof bolting machines	X		[1] 1,000	[1] 8,000
11 Fletcher SDMC roof bolting machines	X		[1] 1,000	[1] 8,000
6 Lee Norse CM 32 continuous miners	X		[1] 1,500	[1] 40,000
1 Joy CD–25 mobile drill	X		1,000	10,000
4 Jeffrey A–7 mobile drills	X		[1] 1,000	[1] 10,000
3 Jeffrey MI–66 shuttle cars		X	[1] 5,000	[1] 20,000
18 Joy 16 SC shuttle cars	X		[1] 1,500	[1] 20,000

Note: This is the only mine in a group employing 200 to 249 men.

[1] Each.

KENTUCKY

[Underground employment, 28; daily production (tons), 400]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 16 RB cutting machine	X		5,000	40,000
1 Joy 14 BU loading machine	X		6,000	20,000
1 Acme D3C roof bolting machine	X		4,000	7,500
1 Joy CD 29 mobile coal drill		X	6,000	12,000
7 Kersey battery tractors		X	3,000	[1] 8,000

[1] Each.

Note: This mine represents 89 mines in a group employing 15 to 49 men.

[Underground employment, 68; daily production (tons), 2,000]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 11 RU cutting machine		X	5,000	40,000
1 Jeffrey 300 cutting machine	X		1,000	40,000
2 Joy 14 BU–10 loading machines	X		[1] 1,000	[1] 35,000
1 Joy 14 BU–8 loading machine		X	6,000	25,000
1 Galis 300 roof bolting machine	X		1,000	8,000
1 Galis 320 roof bolting machine	X		1,000	8,000
2 Long TDF mobile drills	X		[1] 1,000	[1] 10,000
2 Joy 18 SC shuttle cars	X		[1] 1,000	[1] 20,000
2 Joy 6 SC shuttle cars		X	[1] 4,000	[1] 15,000
3 Kersey battery tractors		X	[1] 3,000	[1] 10,000

[1] Each.

Note: This mine represents 14 mines in a group employing 50 to 99 men.

KENTUCKY—Continued

[Underground employment, 137; daily production (tons), 2,000]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Jeffrey 70 UR cutting machines		X	[1] 6,000	[1] 40,000
2 Jeffrey 81 a loading machines		X	[1] 7,000	[1] 40,000
2 Galis 300 roof bolting machines		X	[1] 3,000	[1] 8,000
1 Long LAD–7 roof bolting machine		X	2,000	8,000
2 Lee Norse CM 35 y continuous miners		X	[1] 5,000	[1] 60,000
1 Lee Norse 33 y continuous miner		X	5,000	40,000
4 Jeffrey MP 66 shuttle cars		X	[1] 4,000	[1] 20,000
4 Jeffrey battery ram cars	X		[1] 2,000	[1] 30,000

[1] Each.

Note: This mine represents 6 mines in a group employing 100 to 149 men.

[Underground employment, 160; daily production (tons), 3,700]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
6 Joy 14 BU loading machines		X	[1] 3,000	[1] 20,000
7 Fletcher roof bolting machines	X		[1] 2,500	[1] 8,000
6 Lee Norse 35 y continuous miners	X		[1] 5,000	[1] 60,000
7 Joy 18 SC shuttle cars		X	[1] 2,000	[1] 20,000
4 National Mine Service shuttle cars	X		[1] 4,000	[1] 20,000

[1] Each.

Note: This mine represents 2 mines in a group employing 200 to 249 men.

[Underground employment, 223; daily production (tons), 3,700]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
3 Joy 11 RU cutting machines		X	[1] 5,000	[1] 40,000
3 Joy 16 RB cutting machines		X	[1] 5,000	[1] 40,000
3 Joy 12 RB cutting machines		X	[1] 5,000	[1] 40,000
8 Joy 14 BU loading machines		X	[1] 4,000	[1] 20,000
2 Joy 14 BU–10 loading machines		X	[1] 4,000	[1] 35,000
3 Westinghouse loading machines		X	[1] 4,000	[1] 35,000
11 Galis 300 roof bolting machines		X	[1] 2,000	[1] 14,000
8 Galis mobile drills		X	[1] 2,000	[1] 10,000
25 Joy 8 SC shuttle cars		X	[1] 5,000	[1] 15,000

[1] Each.

Note: This mine represents 3 mines in a group employing 200 to 249 men.

[Underground employment, 250; daily production (tons), 4,400]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
9 Joy 11 RU cutting machines		X	[1] 5,000	[1] 40,000
4 Joy 10 RU cutting machines		X	[1] 3,000	[1] 35,000
3 Goodman 967 loading machines	X		[1] 3,000	[1] 35,000
8 Galis roof bolting machines		X	[1] 2,000	[1] 8,000
8 Joy mobile coal drills		X	[1] 1,700	[1] 8,000
21 Joy 6 SC shuttle cars		X	[1] 5,000	[1] 15,000
10 S. and S. battery tractors		X	[1] 2,000	[1] 6,000

[1] Each.

Note: This is the only mine in a group employing 250–299 men.

ALABAMA

[Underground employment, 15; Daily production (tons), 75]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Goodman 212 cutting machines		X	[1] 6,000	[1] 40,000
3 Chicago Pneumatic hand-held drills		X	[1] 150	[1] 150

[1] Each.

Note: This mine represents 3 mines in a group employing 15 to 49 men.

ALABAMA—Continued

[Underground employment, 96; daily production (tons), 1,000]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
3 Jeffrey cutting machines		X	[1] 2,000	[1] 40,000
4 Joy 14 BU loading machines		X	[1] 5,000	[1] 20,000
3 Galis hand-held drills	X		[2]	[1] 700
4 Joy 10 SC shuttle cars	X		[1] 1,500	[1] 20,000
2 Joy 10 SC shuttle cars		X	[1] 1,500	[1] 20,000

[1] Each.
[2] Nil. Equipment is maintained in permissible condition.

Note: This is the only mine in a group employing 50 to 99 men.

TENNESSEE

[Underground employment, 24; daily production (tons), 400]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 11 RU cutting machine		X	5,000	40,000
1 Joy 14 BU loading machine		X	3,000	20,000
2 Joy 6 SC shuttle cars		X	[1] 5,000	[1] 15,000

[1] Each.

Note: This mine represents 18 mines in a group employing 15 to 49 men.

[Underground employment, 50; daily production (tons), 1,200]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Joy 16 RB cutting machines		X	[1] 5,000	[1] 30,000
2 Joy 14 BU–10 loading machines		X	[1] 3,000	[1] 35,000
2 Galis roof bolting machines		X	[1] 3,000	[1] 8,000
8 Kersey battery tractors		X	[1] 3,000	[1] 6,000

[1] Each.

Note: This is the only mine in a group employing 50 to 99 men.

[Underground employment, 106; daily production (tons), 2,100]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 15 RU cutting machine	X		5,000	40,000
1 Joy 11 RU cutting machine	X		5,000	40,000
2 Jeffrey loading machines	X		[1] 2,000	[1] 35,000
2 Joy 14 BU loading machines		X	[1] 3,000	[1] 20,000
1 Fletcher roof bolting machine	X		1,500	7,000
1 Galis roof bolting machine	X		2,000	7,000
1 Joy 9 SC shuttle car	X		5,000	20,000
1 Joy 10 SC shuttle car		X	5,000	20,000
2 Joy 6 SC shuttle cars		X	[1] 5,000	[1] 15,000

[1] Each.

Note: This is the only mine in a group employing 100 to 149 men.

[Underground employment, 247; daily production (tons), 5,000]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
6 Joy 15 RU cutting machines	X		[1] 2,500	[1] 40,000
6 Jeffrey loading machines	X		[1] 2,000	[1] 35,000
5 Fletcher roof bolting machines	X		[1] 1,000	[1] 7,000
1 Galis roof bolting machine	X		1,000	7,000
2 Joy 10 CM continuous miners	X		[2]	[1] 40,000
14 National Mine Service shuttle cars	X		[1] 1,500	[1] 15,000
2 Joy 6 SC shuttle cars	X		[1] 4,000	[1] 15,000

[1] Each.
[2] Nil.

Note: This is the only mine in a group employing 200 to 249 men.

GRAND TOTAL COST DATA ON NONPERMISSIBLE (OPEN) TYPE ELECTRIC FACE EQUIPMENT USED IN GASSY COAL MINES

Bureau of Mines Coal Mine Safety District	Number of pieces of equipment	Cost to upgrade to permissible status	Cost to purchase used rebuilt permissible equipment	Cost to purchase new permissible equipment
A	231	718,800	3,718,500	9,058,000
B	321	1,135,050	7,742,250	15,352,150
C	271	915,900	1,580,210	5,655,150
D	176	759,700	1,351,200	6,046,670
E	26	61,900	305,900	839,200
Grand total	1,025	3,591,350	14,158,060	36,951,170

COST DATA ON NONPERMISSIBLE (OPEN) TYPE ELECTRIC FACE EQUIPMENT USED IN GASSY MINES

BUREAU OF MINES COAL MINE SAFETY DISTRICT A, PITTSBURGH, PA.

Type of equipment	Number of pieces	Cost to upgrade to permissible status	Cost to purchase used rebuilt permissible equipment	Cost to purchase new permissible equipment
Small mines:				
Cutting machine	5	7,000	12,500	250,000
Mobile drill	2	10,000	14,000	16,000
Battery tractor	2	10,000	28,000	32,000
Total	9	27,000	54,500	298,000
Large mines:				
Battery tractor	4	24,000	24,000	40,000
Shuttle car	218	667,800	3,100,000	8,720,000
Total	222	691,800	3,124,000	8,760,000
Grand total	231	718,800	3,178,500	9,058,000

COST DATA ON NONPERMISSIBLE (OPEN) TYPE ELECTRIC FACE EQUIPMENT USED IN GASSY COAL MINES

BUREAU OF MINES COAL MINE SAFETY DISTRICT B, MOUNT HOPE, W. VA

Type of equipment	Number of pieces	Cost to upgrade to permissible status	Cost to purchase used rebuilt permissible equipment	Cost to purchase new equipment
Small mines:				
Loading machine	4	33,000	45,500	170,000
Cutting machine	7	13,000	62,500	400,000
Roof bolting machine	2	10,000	28,000	32,000
Shuttle car	16	42,000	180,000	640,000
Battery tractor	5	30,000	30,000	50,000
T–2 utility truck	2	2,000	6,000	30,000
Hand-held drill	13	1,950	1,950	3,600
Total	49	131,950	353,950	1,325,600
Large mines:				
Loading machine	18	58,000	227,500	850,000
Cutting machine	27	55,000	382,500	1,700,000
Roof bolting machine	6	30,000	84,000	96,000
Longwall planer	4	200,000	[1] 4,000,000	4,000,000
Mobile drill	5	23,000	50,000	96,000
Shuttle car	178	594,300	2,580,000	7,120,000
Battery tractor	5	30,000	30,000	50,000
Face chain conveyor	5	7,500	25,000	73,000
T–2 utility truck	2	2,000	6,000	30,000
Hand-held drill	22	3,300	3,300	11,550
Total	272	1,003,100	7,388,300	14,026,550
Grand total	321	1,135,050	7,742,250	15,352,150

COST DATA ON NONPERMISSIBLE (OPEN) TYPE ELECTRIC FACE EQUIPMENT USED IN GASSY COAL MINES

BUREAU OF MINES COAL MINE SAFETY DISTRICT C, NORTON VA.

Type of equipment	Number of pieces	Cost to upgrade to permissible status	Cost to purchase used rebuilt permissible equipment	Cost to purchase new permissible equipment
Small mines:				
Loading machine	13	$83,000	$158,500	$575,000
Cutting machine	30	93,500	135,000	1,375,000
Roof bolting machine	10	71,500	116,000	209,000
Shuttle car	2	5,600	20,000	80,000
Battery tractor	41	246,000	246,000	410,000
Face conveyor	2	3,000	10,000	29,200
Utility truck	2	2,000	6,000	30,000
Hand held drill	66	9,900	9,900	46,200
Total	166	514,500	701,410	2,754,400
Large mines:				
Loading machine	11	38,500	173,000	550,000
Cutting machine	14	46,500	180,000	850,000
Roof bolting machine	2	4,000	20,000	24,000
Shuttle car	27	76,600	270,000	1,080,00
Battery tractor	39	234,000	234,000	390,000
Hand-held drill	12	1,800	1,800	6,750
Total	105	401,400	878,800	2,900,750
Grand total	271	915,900	1,580,210	5,655,150

COST DATA ON NONPERMISSIBLE (OPEN) TYPE ELECTRIC FACE EQUIPMENT IN GASSY MINES, BUREAU OF MINES COAL MINE SAFETY, DISTRICT D, VINCENNES, IND.

Type of equipment	Number of pieces	Cost to upgrade to permissible status	Cost to purchase used rebuilt permissible equipment	Cost to purchase new permissible equipment
Small mines:				
Loading machine	2	5,000	13,500	80,000
Cutting machine	10	21,000	28,000	520,000
Utility truck	6	6,000	18,000	90,000
Post mounted drill	3	750	750	2,370
Hand-held drill	10	1,500	1,500	7,000
Total	31	34,250	61,750	699,370
Large mines:				
Loading machine	5	9,100	26,500	200,000
Cutting machine	18	40,000	67,500	900,000
Roof-bolting machine	16	42,000	157,000	638,000
Shuttle car	54	528,000	658,000	2,152,000
Face conveyor	22	33,000	110,000	321,200
Mobile drill	27	72,900	270,000	1,134,000
Hand-held drill	3	450	450	2,100
Total	145	725,450	1,289,450	5,347,300
Grand total	176	759,700	1,351,200	6,046,670

COST DATA ON NONPERMISSIBLE (OPEN) TYPE ELECTRIC FACE EQUIPMENT IN GASSY MINES, BUREAU OF MINES COAL MINE SAFETY DISTRICT E, DENVER, COLO.

Type of equipment	Number of pieces	Cost to upgrade to permissible status	Cost to purchase used rebuilt permissible equipment	Cost to purchase new equipment
Small mines:				
Loading machine	1	2,500	6,500	40,000
Cutting machine	4	7,000	10,000	200,000
Shuttle car	2	7,000	40,000	80,000
Hand-held drill	6	900	900	4,200
Total	13	17,400	57,400	324,200
Large mines:				
Loading machine	1	2,500	8,500	35,000
Shuttle car	12	42,000	240,000	480,000
Total	13	44,500	248,500	515,000
Grand total	26	61,900	305,900	839,200

ATTACHMENT B

COST OF UPGRADING ELECTRIC FACE EQUIPMENT IN SMALL NONGASSY MINES TO PERMISSIBLE STATUS OR TO PURCHASE USED REBUILT PERMISSIBLE EQUIPMENT IF UPGRADING IS NOT FEASIBLE [1]

State	Cost per small nongassy mine	Number of small nongassy mines	Total cost
West Virginia	$16,430	719	$11,813,170
Tennessee	13,740	99	1,360,260
Virginia	26,460	522	13,812,120
Alabama	9,600	67	643,200
Pennsylvania	17,345	121	2,098,745
Ohio	10,550	32	337,600
Colorado	[2] 2,485	29	72,065
Utah	8,470	10	84,700
Kentucky	31,455	784	24,660,720
Total		2,388	54,882,580

[1] Basic data were developed by selecting at random 10 small nongassy mines in each State, getting the number of pieces of electric face equipment in use by type of equipment, and whether permissible or nonpermissible type, then finally getting from local shops the cost of upgrading the equipment to permissible status or to purchase used rebuilt permissible equipment if upgrading is not feasible.

[2] Most of the equipment is maintained in permissible condition and upgrading is not required.

INFORMATION ON ELECTRIC FACE EQUIPMENT USED AT SMALL NONGASSY COAL MINES, JULY 1, 1969

COLORADO

[Underground employment, 6; daily production (tons), 100]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 8 BU loading machine	X		[1] Nil	6,500
1 Sullivan CE7 cutting machine		X	2,000	2,500
1 Joy 6 SC shuttle car		X	2,000	10,000
1 Chicago pneumatic hand-held drill		X	150	150

[1] This equipment is maintained in permissible condition.

[Underground employment, 3; daily production (tons), 35]

Type of equipment	Permissiole type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy JCM continuous miner	X		[1] Nil	80,000
1 Joy 8 BU loading machine	X		[1] Nil	5,000
2 Joy 6 SC shuttle cars	X		[1] Nil	[2] 10,000
1 Ingersoll hand roof bolting machine		X	1,000	9,000

[1] This equipment is maintained in permissible condition.
[2] Each.

[Underground employment, 5; daily production (tons), 75]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 10 RU cutting machine	X		[1] Nil	25,000
1 Joy 10 SC shuttle car	X		[1] Nil	20,000
1 Joy 8 BU loading machine	X		[1] Nil	6,500
1 Joy 6 SC shuttle car		X	3,000	10,000
1 Chicago pneumatic hand-held drill		X	150	150
1 Ingersoll hand roof bolting machine		X	1,000	9,000

[1] This equipment is maintained in permissible condition.

[Underground employment, 3; daily production (tons), 12]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Goodman 212 cutting machine	X		1,000	2,500
1 hand-held drill	X		150	150

COLORADO—Continued

[Underground employment 2; daily production (tons) 50]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Lee Norse continuous miner	X		[1] Nil	75,000
1 Joy 8 BU loading machine	X		[1] Nil	6,500
1 Joy 10 SC shuttle car	X		[1] Nil	20,000

[1] This equipment is maintained in permissible condition.

[Underground employment, 5; daily production (tons), 50]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Fletcher roof bolting machine	X		[1] Nil	5,000
1 Joy 8 BU loading machine		X	2,500	6,500
2 Hand-held drills		X	[2] 150	[2] 150
1 Sullivan CE7 cutting machine		X	2,000	2,500

[1] This equipment is maintained in permissible condition.
[2] Each.

[Underground employment, 2; daily production (tons), 10]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Sullivan ironclad cutting machine		X	3,000	2,500
1 hand-held drill		X	150	150

[Underground employment, 1; daily production (tons), 10]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Goodman 212 cutting machine		X	1,000	2,500
1 hand-held drill		X	150	150

[Underground employment, 3; daily production (tons), 30]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Sullivan CE cutting machine		X	2,000	2,500
1 hand-held drill		X	150	150

[Underground employment, 2; daily production (tons), 15]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Goodman 212 cutting machine		X	3,000	2,500
1 hand-held drill		X	150	150

[Underground employment, 2; daily production (tons), 15]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Goodman 212 cutting machine		X	3,000	2,500
1 hand-held drill		X	150	150

UTAH

[Underground employment, 6; daily production (tons), 50]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Goodman SW cutting machine	X		Nil	4,000
1 hand-held drill		X	150	150

[Underground employment, 7; daily production (tons), 250]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Lee Norse continuous miner	X		Nil	90,000
2 Joy 10 SC shuttle cars	X		Nil	[1] 20,000

[1] Each.

[Underground employment, 6; daily production (tohs), 150]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 8 BU loading machine	X		Nil	6,500
1 Goodman 312 cutting machine	X		Nil	2,500
1 Mobile drill	X		Nil	
2 Joy 10 SC shuttle cars		X	[1] 3,500	[1] 20,000

[1] Each.

[Underground employment, 11; daily production (tons), 1,000]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Lee Norse continuous miner	X		[1] Nil	
1 homemade conveyor		X	4,000	6,000
1 homemade reel shuttle car		X	2,000	10,000

[1] This equipment maintained in permissible condition.

[Underground employment, 4; daily production (tons), 35]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Sullivan 7 B cutting machine		X	3,000	4,500
2 Joy 10 SC shuttle cars		X	[1] 3,500	[1] 20,000
1 Joy 8 BU loading machine		X	2,500	6,500
1 hand-held drill		X	150	150

[1] Each.

[Underground employment, 6; daily production (tons), 85]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 8 BU loading machine		X	2,500	6,500
1 Goodman 312 cutting machine		X	3,000	2,500
1 Hand held drill		X	150	150
2 Diesel shuttle cars (local make)		X	[1] 8,000	20,000

[1] Each.

[Underground employment, 4; daily production (tons), 30]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 8 BU loading machine		X	2,500	6,500
1 Goodman B 12 cutting machine		X	3,000	2,500
1 Chicago Pneumatic hand-held drill		X	150	150
1 Diesel shuttle car (local make)		X	8,000	20,000

UTAH—Continued

[Underground employment, 2; daily production (tons), 12]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 8 BU loading machine		X	2,500	6,500
1 Chicago pneumatic hand-held drill		X	150	150
1 Joy 6 SC shuttle car		X	2,800	10,000
1 Sullivan ironclad cutting machine		X	3,000	2,500

[Underground employment, 3; daily production (tons), 75]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 8 BU loading machine		X	2,500	6,500
1 Sullivan iron clad cutting machine		X	3,000	2,500
1 Joy 6 SC shuttle car		X	2,800	10,000
1 Mobile drill		X	7,000	12,500

KENTUCKY

[Underground employment 13; daily production (tons) 275]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 12 RB cutting machine	X		5,000-6,000	
1 Joy 14 BU loading machine	X		5,000-6,000	
1 Galis roof bolting machine	X		2,000-3,000	
2 Hand held drills		X		[1] 350
3 Kersey shuttle cars		X		[1] 20,000

[1] Each.

[Underground employment, 10; daily production (tons), 300]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Goodman 512 Cutting machine	X		5,000-6,000	
1 Joy 14 BU Loading machine	X		5,000-6,000	
1 Chicago Penumatic roof bolting machine	X		2,000-3,000	
1 Hand-held drill		X	150-200	
3 Kersey battery tractors		X	[1] 6,000	
1 T-2 utility truck		X	1,000-2,000	

[1] Each.

[Underground employment, 12; daily production (tons), 300]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Goodman 512 cutting machines	X		[1] 5,000-6,000	
2 Joy 14 BU Loading machines	X		[1] 5,000-6,000	
1 Roof bolting machine		X		14,000
2 Hand held drills		X		[1] 350
2 T-2 utility trucks		X	[1] 1,000-2,000	
3 Kersey Battery tractors		X	[1] 1,000-2,000	

[1] Each.

[Underground employment, 9; Daily production (tons), 90]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffrey SW 35L cutting machine	X		2,000-3,000	
1 Joy 12 BU loading machine	X		3,500-4,000	
3 hand-held drills		X		[1] 400
4 Battery tractors		X	[1] 2,000-3,000	

[1] Each.

KENTUCKY—Continued

[Underground employment, 7; daily production (tons), 100]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffrey 35L cutting machine			2,000-3,000	
1 Joy 14 BU loading machine	X		5,000-6,000	
3 hand-held drills		X		[1] 350
2 Drag cable shuttle cars		X		[1] 20,000
1 T-2 utility truck		X	1,000-1,200	
2 Battery tractors		X	[1] 2,000-3,000	

[1] Each.

[Underground employment, 8; daily production (tons), 200]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Wilcox continuous miner	X		5,000-6,000	

[Underground employment, 12; daily production (tons), 100]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 11 RB cutting machine	X		5,000-6,000	
2 Joy 14 BU loading machine	X		[1] 5,000-6,000	
1 rubber-tired drill (handmade)		X		350
6 drag cab.e shuttle cars		X		[1] 2,000-3,000

[1] Each (replace with 2 battery-powered tractors).

[Underground employment, 13; daily production (tons), 275]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 11 RB cutting machine	X		5,000-6000	
1 Joy 14 BU loading machine	X		5,000-6000	
1 Royal roof bolting machine		X		14,000
3 Hand-held drills		X		[1] 350
4 S. & S. battery tractors		X		[1] 2,000-3,000

[1] Each.

[Underground employment 6; daily production (tons) 200]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 12 RB cutting machine	X		5,000-6,000	
1 Joy 14 BU loading machine	X		5,000-6,000	
1 Fletcher roof bolting machine	X		2,000-3,000	
2 Chicago penumatic hand-held drills		X		[1] 350
3 Joy 6 SC shuttle cars	X		[1] 5,000-6,000	

[1] Each.

[Underground employment, 6; daily production (tons), 100]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffrey 35 S.W. cutting machine	X		5,000-6,000	
1 Joy 14 BU loading machine	X		5,000-6,000	
1 Jeffrey hand-held drill	X		150-200	
2 S. & S. battery tractors		X	[1] 2,000-3,000	
2 Joy transfer trucks		X	[1] 2,000-3,000	

[1] Each.

VIRGINIA

[Underground employment, 12; daily production (tons), 300]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffrey 300 U cutting machine	X		5,000–6,000	
1 Jeffrey 81C loading machine	X		5,000–6,000	
1 Galis roof bolting machine	X		5,000–6,000	
4 Battery tractors		X	[1] 2,000–3,000	

[1] Each.

[Underground employment 6; daily production (tons), 80]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Royal cutting machine		X		40,000
1 Stacy loading machine		X		14,000
1 Hand-held drill		X		350
3 Battery tractors		X	[1] 2,000–3,000	

[1] Each.

[Underground employment, 8; daily production (tons), 200]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Galis roof bolting machine	X		2,000–3,000	
1 Jeffrey 100L continuous miner	X		9,000–10,000	
2 Battery tractors		X	[1] 2,000–3,000	

[1] Each.

[Underground employment, 5; daily production (tons), 90]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Stacey Spinner loading machine		X		14,000
1 Hand-held drill		X		350
1 Battery tractor		X	2,000–3,000	

[Underground employment, 6; daily production (tons), 70]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Goodman 212 S.W. cutting machine	X		5,000–6,000	
1 Epling rubber-tired loading machine		X		14,000
1 Hand-held drill		X		350
2 Battery tractors		X	[1] 2,000–3,000	

[1] Each.

[Underground employment, 4; daily production (tons), 20]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 12 RB cutting machine		X	5,000–6,000	
1 Jeffrey loading machine		X	9,000–10,000	
1 Galis roof bolting machine	X		2,000–3,000	
1 Long-Airdox drill	X			350
1 Joy 10 SC shuttle car		X	3,000–4,000	
1 Battery tractor		X	2,000	

VIRGINIA—Continued

[Underground employment, 6; daily production (tons), 100]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffrey SW cutting machine		X	2,000 3,000	
1 Joy 12 BU loading machine		X	3,500–4,500	4,800
1 Hand-held drill		X		350
2 S. & S. battery tractors		X	[1] 2,000–3,000	

[1] Each.

[Underground employment, 6; daily production (tons), 100]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffrey SW cutting machine		X	2,000–3,000	
1 Joy 12 BU loading machine		X	3,500–4,500	4,800
1 hand-held drill		X		350
2 S. & S. battery tractors		X	[1] 2,000–3,000	

Each.

[Underground employment, 7; daily production (tons), 150]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Royal cutting machine		X		40,000
1 Stacy loading machine		X		14,000
1 Hand held drill		X		350
2 Battery tractors		X	[1] 2,000–3,000	

[1] Each.

[Underground employment, 10; daily production (tons), 325]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Galis roof bolting machine	X		2,000–3,000	
1 Lee-Norse 35Y continuous miner	X		8,000–10,000	
3 Kersey battery tractors		X	[1] 2,000–3,000	

[1] Each.

[Underground employment, 7; daily production (tons) 250]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 12 RB cutting machine	X		5,000–6,000	
1 Long-Airdox loading machine	X		5,000–6,000	
1 roof bolting machine		X		14,000
1 drill				350
3 Battery tractors		X	[1] 2,000–3,000	

[1] Each.

TENNESSEE

[Underground employment, 10; daily production (tons), 200]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 10 RU cutting machine	X		2,500–3,000	
1 Joy 14 BU loading machine	X		2,500–3,000	
1 Acme roof bolting machine	X		1,500–2,000	
1 Kersey battery tractor		X	2,000–3,000	

TENNESSEE—Continued

[Underground employment, 7; daily production (tons), 100]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Sullivan 11 B S.W. cutting machine	X		2,000–3,000	
1 Joy 14 BU loading machine	X		2,500–3,000	
2 Chicago pneumatic drill (hand drill)	X		150–200	
1 Joy 32E shuttle car	X		5,000–6,000	
1 Joy T–2 truck	X		1,000–1,200	

[Underground employment, 7; daily production (tons), 150]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Goodman 512 S.W. cutting machine	X		2,000–3,000	
1 Long Airdox loading machine	X		2,500–3,000	
1 Chicago pneumatic roof bolter	X		1,500–2,000	
1 Cincinnati drill		X		350
2 Shuttle cars		X		[1] 15,000
1 Joy T–2 truck	X		1,000–1,200	

[1] Each.

[Underground employment, 8; daily production (tons), 75]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 11 B cutting machine	X		2,500–3,000	
1 Joy 14 BU loading machine	X		2,500–3,000	
1 Cincinnati drill (hand-held)		X		350
1 Drag cable shuttle cars		X		[1] 15,000
1 Joy T–2 truck	X		1,000–1,200	

[1] Each.

[Underground employment, 5; daily production (tons), 100]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffrey 35 B cutting machine	X		2,000–3,000	
1 Joy 11 BU loading machine	X		3,500–4,500	
1 Black & Decker hand-held drill		X		350
1 Joy shuttle car (reel)	X		5,000–6,000	
1 Joy T–2 truck	X		1,000–1,200	

[Underground employment, 8; daily production (tons), 200]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Wilcox continuous miner	X		2,500–2,700	

[Underground employment, 6; daily production (tons), 60]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffrey 35 B.S.W. cutting machine	X		2,000–3,000	
1 Black & Decker drill		X		350
1 Joy T–2 truck	X		1,000–1,200	
1 S. and S. battery tractor		X	500	

TENNESSEE—Continued

[Underground employment, 4; daily production (tons), 40]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 11 BU cutting machine	X		2,500–3,000	
1 Cincinnati drill		X		350
2 Kersey battery tractors		X	[1] 2,000–3,000	

[1] Each.

[Underground employment, 7; daily production (tons), 35]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffrey 35 L cutting machine	X		2,500–3,000	
1 Kersey machine truck	X		2,000–3,000	

[Underground employment, 7; daily production (tons), 50]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffrey 35 B cutting machine	X		2,000–3,000	
1 Cincinnati hand-held drill		X		350
4 homemade drag cable shuttle cars		X		(1)

[1] 2 battery tractors at $7,000 each.

ALABAMA

[Underground employment, 9; daily production (tons), 180]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 10 RU cutting machine	X		5,000–6,000	
1 Joy 14 BU loading machine	X		2,500–3,000	
1 Galis roof bolting machine	X		2,000–3,000	
1 Joy coal drill (mobile)	X		1,500–1,700	
2 Joy 10 SC shuttle cars	X		[1] 2,500–3,000	

[1] Each.

[Underground employment, 10; daily production (tons), 90]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Goodman 212-short wall cutting machines		X	[1] 6,000	
2 Chicago pneumatic hand-held drills		X		[1] 350

[1] Each.

[Underground employment, 7; daily production (tons), 40]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Goodman 212 short wall cutting machine		X	6,000	
1 Chicago pneumatic hand-held drill		X		350

[Underground employment, 12; daily production (tons), 60]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Goodman SW cutting machines		X		[1] 6,000
2 Chicago pneumatic hand held drills		X		[1] 350

[1] Each.

ALABAMA—Continued

[Underground employment, 5; daily production (tons), 25]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Goodman 212 cutting machine		X		[1] 6,000
2 Chicago pneumatic hand-held drills		X		[1] 350

[1] Each.

[Underground employment, 7; daily production (tons), 35]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Goodman 212 cutting machines		X		[1] 6,000
2 Chicago pneumatic hand held drills		X		[1] 350

[1] Each.

[Underground employment, 10; daily production (tons), 40]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Goodman 212 SW cutting machine		X		6,000
1 Jeffery hand held drill		X		350

[Underground employment, 6; daily production (tons), 20]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Goodman 212 SW cutting machine		X		6,000
1 Chicago pneumatic hand held drill		X		350

[Beasley Coal Co.; underground employment, 9; daily production (tons), 35]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Goodman 212 SW cutting machine		X		6,000
1 Jeffrey hand-held drill		X		350

[Underground employment, 10; daily production (tons), 60]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Goodman 212 SW cutting machines		X		[1] 6,000
2 Chicago Pneumatic hand held drills		X		[1] 350

[1]Each.

OHIO

[Underground employment, 8; daily production (tons), 265]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Lee-Norse 35Y	X		(1)	
2 Joy 6 SC shuttle cars	X		[2] 5,000	[2] 10,000

[1] Nil in permissible condition.
[2] Each.

OHIO—Continued

[Underground employment, 9; daily production (tons), 400]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Wilcox continuous miner	X		(1)	
1 Bridge conveyor	X		(1)	
1 conveyor	X		(1)	

[1] Nil.

[Underground employment, 3; daily production (tons), 40]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Wilcox continuous miner	X		Nil	
1 Joy 6 SC shuttle car		X	5,000	10,000

[Underground employment, 7; daily production (tons), 90]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 14 BU loading machine	X		6,000	20,000
1 Goodman 512 S. W. cutting machine	X		4,000	2,500
1 Chicago pneumatic hand-held drill	X		150	150

[Underground employees, 13; daily production (tons), 200]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffrey 35 B.S.W. cutting machine		X	4,000	2,500
1 Joy 14 BU loading machine	X		6,000	20,000
1 Chicago pneumatic hand-held drill	X		150	150

[Underground employment, 5; daily production (tons), 75]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Jeffrey 29 U cutting machines	X		[1] 4,000	[1] 37,500
1 Meyeys Whaley loading machine		X	8,000	20,000
3 Chicago pneumatic hand-held drills	X		[1] 150	[1] 150

[1] Each.

[Underground employment, 2; daily production (tons), 40]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 6 SC shuttle car		X	5,000	10,000
2 Goodman 512 SW cutting machines	X		[1] 4,000	[1] 2,500
1 Joy 14 BU loading machine	X		6,000	20,000
2 Chicago pneumatic hand-held drills	X		[1] 150	[1] 150

[1] Each.

[Underground employment, 4; daily production (tons), 25]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffrey 29 U cutting machine	X		4,000	
1 Joy 14 BU loading machine	X		6,000	20,000
1 Chicago pneumatic hand-held drill	X		150	150
1 Fletcher mobile drill	X		5,000	
1 Joy 7 SC shuttle car	X		5,000	10,000

OHIO—Continued

[Underground employment, 3; daily production (tons), 25]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffrey 35 B cutting machine	X		4,000	
1 Chicago pneumatic hand-held drill	X		150	150

[Underground employment, 6; daily production (tons), 22]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 14 BU loading machine	X		6,000	
1 Jeffrey 35 B cutting machine	X		4,000	2,500
1 Chicago pneumatic hand-held drill	X		150	150

PENNSYLVANIA

[Underground employment, 10; daily production (tons), 200]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Joy shuttle cars 10 SC	X		[1] 5,000	[1] 10,000
1 Shortwall cutting machine	X		4,000	2,500
2 Joy 8 BU loading machines	X		[1] 6,000	[1] 6,500
1 Hand-held drill		X	150	150

[1] Each.

[Underground employment, 5; daily production (tons), 100]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Shortwall cutting machine		X	6,000	2,500
1 Joy 8 BU loading machine	X		6,000	6,500
2 Joy 6 SC shuttle cars	X		[1] 5,000	[1] 10,000
2 hand-held drills	X		[1] 300	[1] 300

[1] Each.

[Underground employment, 3; daily production (tons), 40]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Shortwall cutting machine	X		4,000	4,000
1 Joy 14 BU loading machine	X		6,000	15,000
1 hand-held drill		X		150
1 battery tractor	X		7,000	6,000

[Underground employment, 5; daily production (tons), 100]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Wilcox miner	X		8,000	75,000
1 Bridge conveyor	X		8,000	8,000

[Underground employment, 3; daily production (tons), 20]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 35B Jeffrey cutting machine	X		4,000	2,500
1 Drag cable shuttle car (homemade)		X		10,000
1 Hand held drill		X		150
1 Joy 12BU loading machine	X		6,000	8,500

PENNSYLVANIA—Continued

[Underground employment, 2; daily production (tons), 5]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 hand-held drill		X		150
1 Miller auger		X		2,500

[Underground employment, 9; daily production (tons), 125]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Joy 10SC shuttle cars	X		[1] 5,000	[1] 10,000
1 Joy 10RU cutting machine	X		4,000	25,000
1 Joy 14BU loading machine	X		6,000	15,000

[1] Each.

[Underground employment, 4; daily production (tons), 20]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffery 35B cutting machine	X		4,000	2,500
1 Joy 8BU loader	X		6,000	6,500
1 Hand held drill		X	150	150

[Underground employment, 4; daily production (tons), 25]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Goodman universal cutting machines	X		[1] 4,000	[1] 25,000
1 Joy 12 BU loading machine	X		6,000	8,500
1 Joy 6 SC shuttle car	X		5,000	10,000
2 Hand-held drills	X		[1] 300	[1] 150

[1] Each.

[Underground employment, 6; daily production (tons), 55]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Jeffrey 35B cutting machine	X		4,000	2,500
1 Joy 14BU loading machine	X		6,000	15,000
1 Joy 6SC shuttle car	X		5,000	10,000
1 Hand held drill	X		300	150
1 T-2 truck	X		4,000	3,000

WEST VIRGINIA

[Underground employment, 10; daily production (tons), 150]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Joy 8 BU loading machines	X		2,500	6,500
3 Goodman 12 AA cutting machines		X	[1] 2,500	[1] 2,500
1 Goodman 512 cutting machine	X		1,000	2,500
2 drag cable shuttle cars		X		[2] 6,000
1 Black & Decker hand-held drill		X		150

[1] Each
[2] Each cable reel.

[Underground employment 7; daily production (tons), 300]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Lee Norse 35 Y continuous miner	X		2,000	75,000
1 Jeffrey MP shuttle car	X		2,800	10,000
1 Joy 6 SC shuttle car	X		2,800	10,000

WEST VIRGINIA—Continued

[Underground employment, 14; daily production (tons), 200]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 8 BU loading machine	X		2,500	6,500
1 Joy 12 RB cutting machine	X		2,500	25,000
1 Joy 6 SC shuttle car	X		2,800	10,000
1 Joy 8 SC shuttle car	X		2,800	10,000
1 Galis 300 roof bolting machine	X		500	9,000

[Underground employment, 6; daily production (tons), 150]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 14 BU loading machine	X		3,500	15,000
1 Joy 11 RU cutting machine	X		2,500	25,000
4 S&S battery tractors		X	[1] 2,500	[1] 6,500
1 Jeffrey A-7 drill (hand held)	X		150	150

[1] Each.

[Underground employment, 8; daily production (tons), 125]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 8 BU loading machine	X		2,500	6,500
2 home made drag cable shuttle cars		X		[1] 6,500
1 Jeffrey 35L cutting machine	X		800	2,500
1 Goodman 512 cutting machine	X		1,000	2,500
2 Jeffrey 87 hand-held drills	X		150	150

[1] Each (cable reel)

WEST VIRGINIA—Continued

[Underground employment, 6; daily production (tons), 100]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 12 BU loading machine	X		2,500	8,500
1 Joy T-2 utility truck (reel)	X		1,000	3,000
2 homemade drag cable shuttle cars		X		[1] 6,500
2 Chicago pneumatic hand-held drills	X		[1] 150	[1] 150

[1] Each.

[Underground employment, 13; daily production (tons), 200]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
1 Joy 12 BU loading machine	X		2,500	8,500
1 Joy T-2 utility truck	X		1,000	3,000
2 home made drag cable shuttle cars		X		[1] 6,500
2 Chicago pneumatic hand-held drills		X	[1] 150	[1] 150

[1] Each.

[Underground employment, 4; daily production (tons), 50]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissible equipment
2 Goodman 12 AA cutting machines		X	[1] 2,500	[1] 8,500
3 drag cable shuttle cars		X		[1] 6,500
2 Jeffrey A-7 hand-held drills	X		[1] 150	[1] 150

[1] Each.

[Underground employment, 10; daily production (tons), 150]

Type of equipment	Permissible type	Nonpermissible type	Cost to convert to permissible condition	Cost of similar used rebuilt permissbile equipment
1 Joy 14 BU loading machine	X		1,000	42,500
1 Joy 12 RB cutting machine	X		2,500	25,000
1 Acme roof bolting machine	X		600	5,000
1 Long-Airdox T-D F10 mobile drill	X		500	5,000
4 Jeffrey MT 66 shuttle cars	X		[1] 2,800	[1] 10,000

[1] Each.

TOTAL COST OF CONVERSION

On the basis of this survey and taking into account the field approval system, the Department of the Interior has concluded that the costs to the Nation's small nongassy mine operators will be no more than $30 million, perhaps as low as $21 million. This is approximately $10,000 per mine, as opposed to the estimate of $260,000 per small mine originally suggested. And this figure includes the cost of upgrading or replacing the small equipment which all now agree should be made explosion-proof.

Under my amendment—

First. All small horsepowered electric face equipment must be permissible 15 months after enactment.

Second. All grandfathered equipment at gassy mines must be permissible in 15 months also.

Third. In the case of so-called nongassy mines below the watertable and those above the watertable annually producing more than 50,000 tons per year—the truly large mines—such equipment must be permissible in 15 months, but the Secretary can extend this requirement on a mine-by-mine basis an additional 21 months. Thus, these mines would have 3 years to comply, but the extension would only be granted if the equipment is unavailable to the mine.

Fourth. In the case of the so-called nongassy mines above the watertable which annually produce 50,000 or less tons of coal per year—the truly small mine—such equipment must be permissible in 28 months, but the Secretary may extend this period based on unavailability of equipment an additional 20 months. Based on data supplied me by the Bureau of Mines, it is estimated that about 1,700 so-called nongassy mines would be covered by this provision, or about one-half of the so-called nongassy mines. The term "watertable" includes areas above the drainage level.

Fifth. Field testing and approval would be required, where appropriate.

Sixth. The provisions of 303(m), relating to the use of the methane monitor would apply to this equipment, although the Bureau of Mines contends that this device is merely a "backup" device. As time goes on, the device will become more reliable.

Seventh. Like H.R. 13950, when nonpermissible equipment undergoes a major overhaul it must be made permissible.

I strongly urge support of this amendment which follows at this point in the RECORD:

AMENDMENT TO H.R. 13950 OFFERED BY MR. HECHLER OF WEST VIRGINIA

On page 72, line 11, strike all through page 74, line 17, and substitute the following:

"ELECTRICAL EQUIPMENT

"SEC. 305. (a) Effective one year after the operative date of this title—

"(1) all junction or distribution boxes used for making multiple power connections in the active workings of a coal mine shall be permissible;

"(2) all handheld electric drills, blower and exhaust fans, electric pumps, and other such low horsepower electric face equipment as the Secretary may designate within two months after the operative date of this title, which are taken into, or used in, the working section of any coal mine shall be permissible; and

"(3) all electric face equipment which is taken into or used in, the working section of any coal mine classified as gassy under any provision of law prior to the operative date of this title shall be permissible.

"(b) (1) Effective one year after the operative date of this title, all electric face equipment not referred to, or designated under, subsection (a) (2) of this section which is taken into, or used in, the working section of any coal mine, except a coal mine subject to the requirements of subsection (a) (3) of this section or paragraph (2) of this subsection, shall be permissible.

"(2) Effective two years after the operative date of this title, all electric face equipment not referred to, or designated under, subsection (a) (2) of this section which is taken into, or used in, the working section of any coal mine, except a coal mine subject to the requirements of subsection (a) (3) of this section, which is operated entirely in coal seams located above the watertable with one

or more openings made prior to the date of enactment of this Act, and with a total production of coal that does not exceed fifty thousand tons annually, based on the mine's production records for three calendar years prior to such date, shall be permissible.

"(3) In the case of any coal mine subject to the requirements of paragraph (1) of this subsection, if the operator of such mine is unable to comply with such requirements on such effective date, he may file an application for a permit for noncompliance with the Secretary ninety days prior to such date. If the Secretary determines that such application satisfies the requirements of paragraph (6) of this subsection, he shall issue to such operator a permit for noncompliance. Such permit shall entitle the permittee to an extension of time to comply with such requirements of not to exceed twelve months, as determined by the Secretary, from such effective date.

"(4) In the case of a coal mine subject to the requirements of paragraph (2) of this subsection, if the operator of such mine is unable to comply with such requirements on such date, he may file an application for a permit for noncompliance with the Secretary ninety days prior to such date. If the Secretary determines, after notice to all interested persons and an opportunity for a hearing, that such application satisfies the requirements of paragraph (6) of this subsection, and that such operator, despite his diligent efforts will be unable to comply with such requirements, the Secretary may issue to such operator a permit for noncompliance. Such permit shall entitle the permittee to an additional extension of time to comply with such requirement of not to exceed twelve months, as determined by the Secretary, from the date such compliance is required.

"(5)(A) Any operator of a coal mine issued a permit under paragraphs (3) and (4) of this subsection who, ninety days prior to the termination of such permit, determines that he will be unable to comply with the requirements of said paragraphs upon the expiration of such permit may file with the Secretary an application for renewal thereof. Upon receipt of such application, the Secretary, if he determines, after notice to all interested persons and an opportunity for a hearing that such application satisfies the requirements of paragraph (6) of this subsection and that such operator, despite his diligent efforts, will be unable to comply with such requirements, may renew the permit for a period not exceeding twelve months. Any hearing held pursuant to this paragraph shall be of record and the Secretary shall make findings of fact and shall issue a written decision incorporating his findings therein.

"(B) Any permit issued pursuant to this subsection shall entitle the permittee to use nonpermissible electric face equipment, as specified in the permit, during the term of such permit. Permits issued under this subsection to operators who must comply with the requirements of paragraph (1) of this subsection shall, in the aggregate, not extend the period of noncompliance more than thirty-six months after the date of enactment of this Act. Permits issued under this subsection to operators who must comply with the requirements of paragraph (2) of this subsection shall, in the aggregate, not extend the period of noncompliance more than forty-eight months after the date of enactment of this Act.

"(6) Any application for a permit of noncompliance filed under this subsection shall contain a statement by the operator—

"(A) that he is unable to comply with paragraphs (1) or (2) of this subsection, as appropriate, within the time prescribed;

"(B) listing the nonpermissible electric face equipment by type and manufacturer being used by such operator in connection with mining operations in such mine on the operative date of this title and on the date of the application for which a noncompliance permit is requested and stating whether such equipment had ever been rated as permissible;

"(C) setting forth the actions taken from and after the operative date of this title to comply with such paragraphs, together with a plan setting forth a schedule of compliance with the appropriate paragraphs for the equipment referred to in such paragraphs and being used by the operator in connection with mining operations in such mine with respect to which such permit is required and the means and measures to be employed to achieve compliance; and

"(D) include such other information as the Secretary may require.

"(7) One year after the operative date of this title all replacement equipment acquired for use in any mine referred to in this subsection shall be permissible and shall be maintained in a permissible condition, and in the event of any major overhaul of any item of equipment in use one year after the operative date of this title such equipment shall be put in, and thereafter maintained in, a permissible condition, if, in the opinion of the Secretary, such equipment or necessary replacement parts are available.

"(8) The operator of each coal mine shall maintain in permissible condition all electric face equipment, required by this subsection and subsection (a) of this section to be permissible.

"(9) Each operator of a coal mine shall, within two months after the operative date of this title, file with the Secretary a statement listing all electric face equipment by type and manufacturer being used by such operator in connection with mining operations in the working section of such mine as of the date of such filing, and stating whether such equipment is permissible and maintained in permissible condition or nonpermissible on such date of filing, and, if nonpermissible, whether such nonpermissible equipment has ever been rated as permissible, and such other information as the Secretary may require.

"(10) The Secretary shall promptly conduct a survey as to the total availability of new or rebuilt permissible electric face equipment and replacement parts for such equipment and, within six months after the operative date of this title, publish the results of such survey.

"(11) No permit for noncompliance shall be issued under this subsection for any nonpermissible electric face equipment, unless such equipment was being used by an operator in connection with the mining operations in a coal mine on the operative date of this title.

"(12) As used in this title, the term "permissible electric face equipment" means all electrically operated equipment taken into or used in the working section of any coal mine the electrical parts of which, including, but not limited to, associated electrical equipment, components, and accessories, are designed, constructed, and installed, in accordance with the Secretary's specification, to assure that such machines will not cause a mine explosion or mine fire, and the other features of which are designed and constructed, in accordance with the Secretary's specifications, to prevent to the greatest extent possible, other accidents in the use of such equipment. The regulations of the Secretary in effect on the operative date of this title relating to the requirements for investigation, testing, approval, certification, and acceptance of such equipment as permissible shall continue in effect until modified or superseded by the Secretary, except that the Secretary shall promptly provide procedures, including, where feasible, field testing, approval, certification, and acceptance by an authorized representative of the Secretary, to facilitate compliance by an operator with the permissibility requirements of this subsection within the periods prescribed.

"(13) Any operator or representative of miners aggrieved by a final decision of the Secretary under this subsection may file a petition for review of such decision in accordance with the provisions of this Act.

"(c) A copy of any permit granted under this section shall be mailed immediately to a duly designated"—.

WORLD'S LARGEST BUBBLE CHAMBER IN OPERATION AT ARGONNE LABORATORY

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, after 5 years of diligent effort, the world's largest bubble chamber went into operation on October 13, 1969. The 12-foot chamber, which contains 6,400 gallons of liquid hydrogen, will permit researchers using the powerful 12.5 Bev Zero Gradient Synchrotron to look for the elusive neutrino, which has zero mass, no charge, and travels with the speed of light. We know the neutrino exists because it does interact with matter, however weakly. The other interesting feature of the bubble chamber is that it is inside the world's largest superconducting magnet. This magnet requires only 30,000 watts to come to full field strength and then because its coils are cooled by liquid helium, requires almost no additional power. The temperature of these coils is minus 451 degrees Fahrenheit. A normal magnet would require 10 million volts to reach and maintain full field strength.

A press release from Argonne about the bubble chamber follows:

TWELVE-FOOT BUBBLE CHAMBER

ARGONNE, ILL.—Late Monday evening, October 13, 1969, the first successful operation of the world's largest bubble chamber was recorded at the Atomic Energy Commission's Argonne National Laboratory.

As the temperature and pressure were carefully adjusted to bring the 6400 gallons of liquid hydrogen within the giant vessel to the predetermined operating point, the tiny lines of bubbles resulting from the passage of cosmic ray particles through the liquid became visible and were successfully photographed.

The particles themselves are much too small to be observed directly. It is through the study of the lines of bubbles (called tracks) formed in the trail of high energy particles passing through the liquid hydrogen that elementary particle physicists determine their properties.

Several days after observation of the cosmic rays, a beam of particles from the zero gradient synchrotron, Argonne's high energy proton accelerator, was directed into the chamber fluid and photographs were obtained. These show the collisions of the beam particles with the hydrogen atoms in the chamber fluid. Later this year, after the data from the present operation have been analyzed and the chamber's operating characteristics well established, a beam of neutrinos will be passed through the chamber and a new chapter in the investigation of nature's basic building blocks, the elementary particles, will get under way.

The 12-ft. bubble chamber project was begun some five years ago during the summer of 1964. It was then apparent that if that part of the nation's high energy physics research program devoted to the investiga-

tion of neutrinos was to be further advanced it would be essential to study the collisions of neutrinos with hydrogen atoms. The neutrino interacts only weakly with matter; if the experiments were to be feasible an enormous volume of liquid hydrogen would be required.

Conceived at a time when the largest bubble chamber in operation had a length of 80 inches and a volume of about one cubic yard, the Argonne design specified a chamber vessel 12 feet in diameter and 7 feet tall with a volume of about 26 cubic yards. During operation, the vessel is maintained at a temperature of —413 degrees F. It is located inside an 18-kilogauss magnet with superconducting coils, the largest magnet of its kind in the world. The expansion system which creates the very sudden changes in pressure within the chamber volume that are necessary for bubble formation is driven by one of the most advanced hydraulic systems in existence today.

The 12-ft bubble chamber was designed, built, and brought into operation by a team of scientists, engineers, technicians, and others totaling about 50 people. The effort has been directed by Dr. E. G. Pewitt. Total cost of the project was approximately 18 million dollars.

MINING THE NATIONAL CAPITAL TREASURE

(Mr. HANNA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANNA. Mr. Speaker, last July I introduced legislation which would permit Washington, D.C., banks to expand into the neighboring States of Maryland and Virginia. At that time, I asked:

Is it too much to suggest that for once a primacy of consideration be bent toward the interest of economic entities within the District?

The District's neighbors gave their answer last week. In chorus, the Capital area's suburban interests echoed a shrill "No" before the Senate Banking and Currency Committee.

Although I am from California, it is not very difficult to discern what is happening here. The suburbs have grown and prospered because of the District, and now that the District banks wish to participate in some of that growth and prosperity the bristly spines of parochial interests are raised.

Now that the treasure of prosperity has been amply mined from the Capital City the suburbs have little further interest. It seems ironic that the principal cause for the area's prosperity, namely the city, should not find itself the stepchild of that prosperity.

I believe the House of Representatives will recognize these circumstances for what they are. It is time—no, it is past the time—that Congress concerns itself with the future of the institutions within the District.

We will have that opportunity when we consider the legislation which will permit District banks to either branch in the suburban areas or associate themselves with Maryland and Virginia banks. The banks of the District want only to follow the economic imperative that now finds Garfinckels, Woodward and Lothrop and other District department stores out in the suburban shopping centers. There is hardly a major department store in the city that is not now branched to the suburbs. Without such moves, is there any existing doubt but what these fine stores would have perished in the city?

Because of the unique circumstances of the banking institutions of this city, it is necessary we give this legislation the priority it deserves. Mr. Speaker, the Comptroller of the Currency submitted a statement on this legislation as part of the hearings. I am deeply impressed by the Comptroller's statement because it is scholarly and objective and deals with the unique problems faced by banking institutions in the National Capital region. For the benefit of my colleagues, I am inserting this statement in the RECORD. I am naturally gratified that the Comptroller of the Currency has agreed to support legislation I have introduced:

STATEMENT OF ROBERT BLOOM, CHIEF COUNSEL TO THE COMPTROLLER OF THE CURRENCY, BEFORE THE SENATE BANKING AND CURRENCY COMMITTEE ON S. 2569, OCTOBER 8, 1969

The proposed legislation would relax, for the National Capital region only, existing restrictions against the ownership by bank holding companies of banks located in more than one state. It would permit a registered bank holding company located in the District of Columbia to own banks located in the District, Montgomery and Prince Georges Counties in Maryland; and Arlington, Fairfax, Loudoun, and Prince William Counties, plus the Cities of Alexandria and Falls Church in Virginia. Banks anywhere in Virginia or Maryland would be permitted to form holding companies to organize or acquire banks in the District.

All of the other requirements of the present Bank Holding Company Act would apply in full force and no holding company could be set up without the approval of the Federal Reserve Board. The Federal Reserve would apply the same antitrust, capital, management and other factors to its consideration of the formation of S. 2569 companies as it does to other holding company applications.

In order that there may be no misunderstanding of the effect of the amendment, it should be emphasized that the bill makes no change in the existing powers of the states to regulate the business of banking within their borders. A new state bank organized by a District-based holding company would have to receive the approval of the appropriate Virginia or Maryland authorities. Virginia and Maryland chartered banks would continue to be subject to the full jurisdiction and examination by the state banking authorities. There is likewise no change effected in the authority and power of the states to define the extent of branch banking within their borders, although opponents of the legislation will argue to the contrary. We will be glad to supply the Committee with a legal memorandum setting forth the clear distinctions which the courts and Congress have made between branch and holding company banking.

S. 2569 would allow the creation of bank holding companies with three different geographic bases: one group of holding companies could control banks in the District and in the Washington suburbs in Virginia and Maryland; a second could control banks operating anywhere in Virginia and in the District; the third could hold banks operating anywhere in Maryland and in the District.

A number of benefits would flow from passage of this legislation. First, banking competition in the National Capital region would be enhanced. The District of Columbia based banks would provide additional competitive muscle through affiliates acquired or established in the Washington suburbs. And although opponents of this bill deny any interest, it is not unlikely that at some point certain of the strong Baltimore- and Richmond-based banks would become affiliated with newly created or acquired District banks. The resulting inter-penetration would undoubtedly enliven competition, to the benefit of consumers of banking services.

Next, private funds available for the extension of credit in the National Capital region can most efficiently be allocated on a regional basis. There is no assurance, and in fact it is rather unlikely, that the regional distributions of deposits and of credit requirements are similar. The bill would provide a means of improving the mobility and optimum use of deposit capital at a time when such capital is in short supply.

Third, a number of the credit needs of the National Capital region require loanable funds in aggregates of considerable magnitude. The passage of S. 2569 would allow bank affiliations that would make these aggregates more readily available.

Critics of S. 2569 may assert that each of these arguments can be applied to any major metropolitan area in the country. To some degree, this is correct. However, it is not difficult to demonstrate the unique nature of the District and its financial setting.

First, the core of the National Capital region—the District of Columbia—is more constrained than is the core of any other major metropolitan area. A number of the banking constraints stem from the fact that the city is not a part of any state. Were it in fact a part of either Maryland or Virginia, the Washington banks would enjoy much greater freedom to expand. Thus it is apparent that the federal status of the District has itself created special banking problems. In this light, action by Congress to alleviate these problems appears most appropriate, and would in no sense create a precedent for similar action in other areas.

The National Capital region poses special problems for both banks and banking customers within it. The federal government as a whole constitutes a unique dominant employer. Employees of government agencies find it easier to move to another agency within the federal government than do members of the work force in other areas for whom a change in employment frequently involves a move to a separate organization. Federal employees, for example, do not relinquish retirement benefits or leave status, etc., when moving from one agency to another, as is often the case when moving from one private firm to another. As a result, labor mobility in the National Capital region is extremely high. Federal employees shift from agencies with downtown offices to those with offices in the Maryland or Virginia suburbs or conversely from a federal agency with offices in the suburbs to another with central city location. Such moves generate problems for banking customers. It is often costly and highly inconvenient to continue to bank where they have established favorable banking connections. To relinquish those established banking connections and establish new banking connection with a suburban or downtown bank is likewise costly and inconvenient.

Similar problems for the banks and banking customers are engendered also by the movement of federal agencies, and offices within an agency, from the central city to one of the suburbs or from one suburb to another or from the suburbs to the central city. The bill, by permitting limited area-wide banking, would help relieve employees of the federal agencies of some of the costs and inconveniences of either establishing new banking connection or maintaining their banking connections at remote locations where they formerly worked.

The Congress has a special responsibility to provide a legal framework for the District that will foster the economic viability of this vital center of the National Capital region. We are all aware of the problems faced by the core areas of every metropolis. Virtually every solution advanced requires the expenditure of a large volume of funds. The greater the volume of private funds available, the less the demands on the public funds. We believe that S. 2659, representing an attempt to alleviate special problems faced by District banks as a result of the District's federal status, merits favorable consideration by the Congress.

INCREASED AUTHORIZATION FOR DRUG ABUSE RESEARCH

(Mr. HANNA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANNA. Mr. Speaker, I am introducing today for myself and 31 cosponsors legislation which will substantially increase the research authorization for the Division of Narcotic Addiction and Drug Abuse.

The bill I am introducing will authorize $25 million in additional research funds for this fiscal year. At present the division has approximately $5 million available for research during fiscal year 1970. Of this $5 million, approximately $1.5 million will be available to initiate new research programs. The remaining funds will be used to support efforts that have been committed in the past.

Anyone familiar with the rising rate of drug abuse realizes that $1.5 million in new research money does not even begin to answer the need. Not only are extensive funds required for massive in-depth investigations into the consequences of marihuana abuse, but research is required on the literally dozens of new compounds that are being abused at an alarming rate.

Dr. Sidney Cohen, Director of the Division of Narcotic Addiction and Drug Abuse, has described the state of our knowledge on the consequences of drug abuse as comparable to the state of our knowledge about the effects of cigarette smoking 50 years ago. That such a condition is deplorable is obvious. That so few have raised their voices for improving the state of our knowledge is astonishing. That the Congress has not come to grips at this late date, with the issue of needed funds for necessary research is discouraging.

For years we have been told about the increasing abuse of a wide range of dangerous drugs. For years reports have been printed warning of the increasing use of dangerous drugs by young people. And for years experts have been telling us there is a serious insufficiency of accurate information on the affects these dangerous drugs are having on a rapidly expanding group of young abusers.

I believe it is now necessary—absolutely necessary—that the Congress commit itself to an all-out intensive effort to bridge this glaring knowledge gap. This can only be done with money, and it is precisely money, $25 million, that this legislation addresses itself to.

While $25 million in additional funds may sound, at first blush, as an enormous sum, it in fact is not. When considered in perspective to the problem and to other programs of research on which funds are being expended, the picture balances quite clearly. A recent special report in Newsweek suggested as many as 35 percent of high school and college students may be "turning on." An Army report titled "Marijuana Use in Vietnam: A Preliminary Report" estimated as many as 35 percent of the troops are smoking pot. Newsweek's conclusions:

First, the age of U.S. drug users is dropping rapidly. Second, as drugs become widespread the young have built a culture and a rationale of their own around their use and abuse.

Now let us consider a research program similar in many ways to the research effort on drug abuse. Similar, that is, in many things except money and purpose. This other program I am talking about seeks knowledge on the effects biological and chemical compounds have on the human body, yet the ultimate goal of this research is to determine the most efficient methods for destroying or disabling life. Of course I am speaking of CBW—chemical and biological warfare. The best estimates I have been able to obtain suggest an expenditure in this fiscal year for research in CBW at between $90 to $95 million. This compares with less than $5 million for research on drug abuse. Even if we raise the authorization for drug abuse by $25 million, as my bill does, we will still be spending one-third of what we are spending for CBW research.

I contend that the real chemical warfare this Congress should be concerned about is the one now taking place in the schoolyards, streets, and neighborhoods throughout America. Knowledge about the effects of speed, bennies, grass, acid, and the dozens of other chemical and biological compounds being abused by countless thousands of young Americans must be our first concern.

No matter how shrill the rhetoric on curbing abuse becomes, and I will be first in line to propose strong measures to curb dangerous drug abuse, we must realize the very real fact that abuse of these dangerous drugs has become a sad fact of our culture. To deal with this fact rationally requires accurate and modern techniques—and most importantly dependable and carefully researched information. We do not now have this and as a result countless people are suffering, decisions are being made based largely upon ignorance, and there is a rising cacophony of frightening incoherent demands for action that may prove undesirable and unwise.

Hopefully, the bill I am introducing today will spur the overdue discussion on the needed funds for drug abuse research. Hopefully this Congress will act quickly.

Mr. Speaker, I would like to include at this point an article that appeared in the San Francisco Chronicle last year; perhaps it will offer some insight:

[From the San Francisco Chronicle, May 4, 1968]

THE LONG LINE OF YOUTHS NEEDING DRUG TREATMENT

(By George Draper)

Some 5000 young people with drug-induced psychotic symptoms were treated at the Immediate Psychiatric Aid Center at San Francisco General Hospital during the last year.

This was disclosed yesterday by Dr. Arthur B. Carfagni, chief of the center, who said amphetamines (speed) outnumbered LSD by three-to-one as the cause of these symptoms.

"Not one of the patients was a marijuana user," he said.

CONFERENCE

Dr. Carfagni addressed a group of interested physicians attending a conference on "Effects and Complications of Psychedelic Drug Use" at Children's Hospital and Adult Medical Center.

The program was part of a Continuing Education in Health Sciences series presented by the hospital and the University of California Medical Center.

Dr. Carfagni said that of the 5000 persons treated at his center for drug-induced psychotic symptoms, 2800 "merely had to be brought down" and were released within four to six hours.

The remaining 2200, he said, stayed at the center for periods ranging from one day to three months.

Four of the 5000 were so disturbed, he said, that they had to be committed to mental hospitals.

The psychiatrist said that in the earlier part of the year the average age of these patients was about 20 but that in the latter part of the year the average dropped to about 18.

NEWCOMERS

Most of these young persons suffering from drug abuse had been in San Francisco only about three weeks when they came to the Immediate Psychiatric Aid Center, he said.

Dr. Carfagni said that in his opinion drug abuse is fast becoming a most important public health problem.

But, he said, many members of the medical profession have not been dealing with this problem, either through personal choice or because drug abusers have avoided them.

And yet, he suggested, it is important that doctors help in the battle to terminate, as quickly as possible, drug-induced states of psychosis.

"If the psychotic state is prolonged," he said, "it can go into a chronic form."

He suggested two tools that physicians might use to combat these drug-induced psychotic conditions.

INDUCED

One is the understanding that the apparent psychotic condition is drug induced—a concept that should be pressed home to the patient, as "this is his one tie with reality."

The other is the use of fairly large doses—sometimes 4 or more times as much as in conventional treatment—of a certain sedative drug.

"We're dealing in marked excursions in human behavior. The treatment must be heroic," he said.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CORMAN, for October 22 and 23, on account of official business.

Mr. WALDIE, for October 23 and 24, on account of official business.

Mr. PEPPER (at the request of Mr. BOGGS), for today through October 29, on account of official business.

Mr. MOSS, for from 4:00 p.m. Thursday, October 23 through October 28, on account of official business.

Mr. CONTE (at the request of Mr. GERALD R. FORD), for today and the balance of the week, on account of official business as a member of the House Committee on Appropriations.

Mr. CAMP (at the request of Mr. GERALD R. FORD), for today and the balance of the week, on account of official business as a member of the House Committee on Interior and Insular Affairs.

Mr. DON H. CLAUSEN (at the request of Mr. GERALD R. FORD), for today and the balance of the week, on account of official business as a member of the House Committee on Interior and Insular Affairs.

Mr. WIGGINS (at the request of Mr. GERALD R. FORD), for October 22 through October 27, on account of official business as a member of the House Select Committee on Crime.

Mr. WATSON (at the request of Mr. GERALD R. FORD), for October 22 through October 27, on account of official business as a member of the House Select Committee on Crime.

Mr. DENNEY (at the request of Mr. GERALD R. FORD), for October 22 through October 27, on account of official business as a member of the House Select Committee on Crime.

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. HECHLER of West Virginia, for 10 minutes, today; to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. DANIEL of Virginia); to revise and extend their remarks and to include therein extraneous matter:)

Mr. HAMILTON, for 10 minutes, today.

Mr. DADDARIO, for 15 minutes, today.

Mr. RYAN, for 60 minutes, on November 12.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MADDEN in two instances and to include extraneous matter.

Mr. ZABLOCKI and to include extraneous matter in two instances.

Mr. ALBERT (at the request of Mr. STEPHENS) to extend his remarks following those of Mr. STEPHENS on his amendment to H.R. 13827, page 1, line 4, today.

(The following Members (at the request of Mr. LANDGREBE) and to include extraneous matter:)

Mr. GUBSER.

Mr. HALL.

Mr. CHAMBERLAIN in two instances.

Mr. STAFFORD.

Mr. HANSEN of Idaho.

Mr. MINSHALL.

Mr. BUTTON in two instances.

Mr. BUSH.

Mr. SCHWENGEL in three instances.

Mr. BERRY.

Mr. UTT.

Mr. FOREMAN.

Mr. WYMAN in two instances.

Mr. HOSMER.

Mr. REIFEL.

Mr. DERWINSKI.

Mr. KYL.

Mr. STEIGER of Wisconsin in two instances.

Mr. POLLOCK.

Mr. LIPSCOMB.

Mr. BOB WILSON in four instances.

Mr. CARTER.

Mr. FULTON of Pennsylvania in five instances.

Mr. HORTON.

Mr. ASHBROOK in two instances.

Mr. PELLY.

Mr. FRELINGHUYSEN.

Mr. ZWACH.

Mr. SCHADEBERG.

Mr. ROUDEBUSH.

Mr. KEITH.

Mr. MCCLORY.

(The following Members (at the request of Mr. DANIEL of Virginia) and to include extraneous matter:)

Mr. DADDARIO in two instances.

Mr. OTTINGER in two instances.

Mr. RARICK in two instances.

Mr. HELSTOSKI.

Mr. THOMPSON of New Jersey.

Mr. LEGGETT.

Mr. VANIK in two instances.

Mr. O'NEAL of Georgia in two instances.

Mr. HÉBERT.

Mr. DOWNING in two instances.

Mr. ANDERSON of California.

Mr. JACOBS.

Mr. COHELAN in two instances.

Mr. O'NEILL of Massachusetts in two instances.

Mr. BARING.

Mr. SLACK in two instances.

Mrs. HANSEN of Washington in two instances.

Mr. MONAGAN in two instances.

Mr. TUNNEY in two instances.

Mr. HECHLER of West Virginia.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1279. An act to create a rebuttable presumption that a disability of a veteran of any war or certain other military service is service-connected under certain circumstances; to the Committee on Veterans' Affairs.

ENROLLED BILLS SIGNED

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2768. An act to amend title 38 of the United States Code in order to eliminate the 6-month limitation on the furnishing of nursing home care in the case of veterans with service-connected disabilities; and

H.R. 3130. An act to amend title 38, United States Code, to provide that the Administrator of Veterans' Affairs may furnish medical services for non-service-connected disability to any war veteran who has total disability from a service-connected disability.

BILLS PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 2768. An act to amend title 38 of the United States Code in order to eliminate the 6-month limitation on the furnishing of nursing home care in the case of veterans with service-connected disabilities; and

H.R. 3130. An act to amend title 38, United States Code, to provide that the Administrator of Veterans' Affairs may furnish medical services for non-service-connected disability to any war veteran who has total disability from a service-connected disability.

ADJOURNMENT

Mr. DANIEL of Virginia. The 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, Thursday, October 23, 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:

1271. A letter from the Assistant Secretary of the Interior, transmitting the report of the Secretary on the East Greenacres unit, Bathdrum Prairie project, Idaho, pursuant to the provisions of section 9(a) of the Reclamation Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 91–182); to the Committee on Interior and Insular Affairs and ordered to be printed, with illustrations.

1272. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report of receipts and disbursements pertaining to the disposal of surplus military supplies, equipment, and materiel, and for expenses involving the production of lumber and timber products, during fiscal year 1969, pursuant to the provisions of 10 U.S.C. 2665, to the Committee on Appropriations.

1273. A letter from the Comptroller General of the United States, transmitting a report on the effectiveness and administration of the Collbran Job Corps Civilian Conservation Center under the Economic Opportunity Act of 1964, Collbran, Colo., Department of the Interior, Office of Economic Opportunity; to the Committee on Education and Labor.

1274. A letter from the Comptroller General of the United States, transmitting a report on unused engineering and design effort in the military construction program, Department of Defense; to the Committee on Government Operations.

1275. A letter from the Comptroller General of the United States, transmitting a report on opportunities for increasing the effectiveness of the conservation operations program, Soil Conservation Service, Department of Agriculture; to the Committee on Government Operations.

1276. A letter from the Assistant Secretary of the Interior, transmitting copies of an order and supporting documents canceling certain reimbursable charges of the Federal Government, pursuant to the provisions of 47 Stat. 564; to the Committee on Interior and Insular Affairs:

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POAGE: Committee on Agriculture. H.R. 12588. A bill to amend the Agricultural Act of 1949 with regard to the use of dairy products, and for other purposes; with an amendment (Rept. No. 91–587). Referred to the Committee of the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture. H.R. 8536. A bill to amend section 602(5) and section 608c(6)(I) of the Agricultural Marketing Agreement Act of 1937, as amended, so as to authorize production research under marketing agreement and order programs; without amendment (Rept. No. 91–588). 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. BROOMFIELD:

H.R. 14450. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. FOLEY:

H.R. 14451. A bill to provide for the establishment of an international quarantine station and to permit the entry therein of animals from any other country and the subsequent movement of such animals into other parts of the United States for purposes of improving livestock breeds, and for other purposes; to the Committee on Agriculture.

By Mr. FRIEDEL:

H.R. 14452. A bill to provide for the designation of special policemen at the Government Printing Office, and for other purposes; to the Committee on House Administration.

H.R. 14453. A bill to authorize the Public Printer to grant time off as compensation for overtime worked by certain employees of the Government Printing Office, and for other purposes; to the Committee on House Administration.

By Mr. GREEN of Pennsylvania:

H.R. 14454. A bill to provide for the protection of the health and safety of persons working in the coal mining industry of the United States, and for other purposes; to the Committee on Education and Labor.

H.R. 14455. A bill to amend the Tariff Schedules of the United States to repeal the special tariff treatment accorded to articles assembled abroad with components produced in the United States; to the Committee on Ways and Means.

By Mr. HELSTOSKI (for himself, Mr. ANDERSON of California, Mr. BIAGGI, Mr. BOLAND, Mr. CARTER, Mr. CÓRDOVA, Mr. FEIGHAN, Mr. WILLIAM D. FORD, Mr. FULTON of Pennsylvania, Mr. GALLAGHER, Mr. GIBBONS, Mrs. HECKLER of Massachusetts, Mr. MCKNEALLY, Mr. MATSUNAGA, Mr. MIKVA, Mr. MOSHER, Mr. PETTIS, and Mr. RYAN):

H.R. 14456. A bill to require that impact-resistant eyeglasses be issued under the medical program for members of the uniformed services on active duty; to the Committee on Armed Services.

By Mr. KLEPPE:

H.R. 14457. A bill to amend the Federal Meat Inspection Act to give any State an additional year to develop and enforce an effective inspection program for meat and meat food products that are distributed wholly within such State, and for other purposes; to the Committee on Agriculture.

By Mr. LONG of Maryland:

H.R. 14458. A bill to prohibit the sale or shipment for use in the United States of the chemical compound known as DDT; to the Committee on Agriculture.

By Mr. OLSEN:

H.R. 14459. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. REUSS:

H.R. 14460. A bill to amend the Employment Act of 1946 to bring to bear an informed public opinion upon price and wage behavior which threatens national economic stability; to the Committee on Government Operations.

By Mr. WYDLER:

H.R. 14461. A bill to establish a commission to study and investigate possible programs to promote cooperation between New York and surrounding States in addressing problems relating to the disposal of solid waste; to the Committee on Interstate and Foreign Commerce.

By Mr. ZWACH:

H.R. 14462. A bill to improve farm income and insure adequate supplies of agricultural commodities by extending and improving certain commodity programs, and amend the Food Stamp Act of 1964, as amended; to the Committee on Agriculture.

By Mr. COLLIER:

H.R. 14463. A bill to authorize the Secretary of Transportation to prescribe rules, regulations, and performance and other standards as he finds necessary for all areas of railroad safety and to conduct railroad safety research; to the Committee on Interstate and Foreign Commerce.

By Mr. FALLON (for himself, Mr. GRAY, Mr. JOHNSON of California, Mr. CRAMER, Mr. HARSHA, and Mr. BENNETT):

H.R. 14464. A bill to amend the act of August 12, 1968, to insure that certain facilities constructed under authority of Federal law are designed and constructed to be accessible to the physically handicapped; to the Committee on Public Works.

By Mr. STAGGERS:

H.R. 14465. A bill to provide for the expansion and improvement of the Nation's airport and airway system, for the imposition of airport and airway user charges, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAMILTON:

H.R. 14466. A bill to amend the Military Selective Service Act of 1967 to provide for a fair and random system of selecting persons for induction into military service, to provide for the uniform application of Selective Service policies, to raise the incidence of volunteers in military service, and for other purposes; to the Committee on Armed Services.

By Mr. STEIGER of Wisconsin:

H.R. 14467. A bill to extend for 3 years the authority of the Armed Forces and the Veterans' Administration to use dairy products purchased by the Commodity Credit Corporation; to the Committee on Agriculture.

By Mr. ASHBROOK:

H.R. 14468. A bill to equalize the retired pay of members of the uniformed services of equal grade and years of service; to the Committee on Armed Services.

By Mr. CHAMBERLAIN:

H.R. 14469. A bill to adjust agricultural production, to provide a transitional program for farmers, and for other purposes; to the Committee on Agriculture.

By Mr. FULTON of Tennessee:

H.J. Res. 963. Joint resolution to authorize the President to proclaim the month of January of each year as "National Blood Donor Month"; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

H.J. Res. 964. Joint resolution to create a joint congressional committee to review, and recommend changes in, national priorities and resource allocation; to the Committee on Rules.

By Mr. SANDMAN:

H.J. Res. 965. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

H. Res. 588. Resolution to provide for record voting in the Committee of the Whole House upon the assent of one-fourth of the Members present; to the Committee on Rules.

By Mr. CUNNINGHAM:

H. Res. 589. Resolution to authorize the Committee on Interstate and Foreign Commerce to conduct an investigation and study of the practices followed by the Washington Gas Light Co. of the District of Columbia in the sale, installation and servicing of heating and air conditioning units; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GREEN of Pennsylvania:

H.R. 14470. A bill for the relief of Whitehouse Paper Co., Elsie Heilveil, and Maurice Heilveil; to the Committee on the Judiciary.

By Mr. HALEY:

H.R. 14471. A bill to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in certain lands in Florida to John Carter and Martha B. Carter; to the Committee on Interior and Insular Affairs.

By Mr. ROUDEBUSH:

H.R. 14472. A bill for the relief of Rafael Ramos; to the Committee on the Judiciary.

By Mr. WRIGHT:

H.R. 14473. A bill for the relief of Peter Brothers, Inc.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

305. The SPEAKER presented a petition of the State Council of Ohio, Junior Order United American Mechanics, relative to freedom of speech, which was referred to the Committee on the Judiciary.