

UKRAINIAN CONGRESS COMMITTEE
CONDEMNS EXTRADITION OF
LITHUANIAN DEFECTOR

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 17, 1970

Mr. FLOOD. Mr. Speaker, the editor of the Ukrainian Quarterly in New York City has forwarded to me a copy of a press release issued by the Ukrainian Congress Committee of America and a copy of a telegram by that organization sent to President Nixon on the matter of the Lithuanian sailor who sought political asylum in this country. On Monday, December 14, 1970, I made an address in the House on this subject and my remarks appear in the RECORD beginning on page 41421.

As part of my remarks today, I include a letter of transmittal from the editor of the Ukrainian Quarterly, Mr. Walter Dushnyck, as well as copies of the aforementioned press release and telegram.

THE UKRAINIAN QUARTERLY,
New York, N.Y., December 12, 1970.

HON. DANIEL J. FLOOD,
The Rayburn Building,
Washington, D.C.

DEAR CONGRESSMAN FLOOD: Enclosed please find a copy of our press release and telegram sent to President Nixon in connection with the extradition of the Lithuanian defector, Simas Kuderka. We would appreciate your kindness in inserting it in your proposed address in the House of Representatives and sending a copy of it to us. Thank you.

Sincerely yours,
WALTER DUSHNYCK,
Editor.

UKRAINIAN CONGRESS COMMITTEE CONDEMNS
EXTRADITION OF LITHUANIAN DEFECTOR

NEW YORK, N.Y.—The Executive Board of the Ukrainian Congress Committee of America (UCCA), a nationwide organization of some 2 million Americans of Ukrainian origin, strongly condemned U.S. Coast Guard officials who handed over the Lithuanian defector, Simas Gruze, (later identified as Simas Kuderka) to his Soviet captors. Terming the act a "most disgraceful violation of our traditional policy of political sanctuary," the UCCA expressed its full support of an immediate investigation and bringing those responsible for this crime to account.

In a telegram sent to President Nixon, Secretary of State William P. Rogers and Sec-

retary of Transportation John A. Volpe, the Ukrainian Congress Committee said that "to surrender a political defector to the claws of the KGB at a time when the U.S. Government is pleading with the world for its intervention for humane treatment of our POW's in North Vietnam, is the acme of inhumanity, folly and responsibility."

[Telegram]

HON. RICHARD M. NIXON,
President of the United States of America,
The White House,
Washington, D.C.:

On behalf of Ukrainian Congress Committee of America, speaking for over 2 million Americans of Ukrainian ancestry, we lodge the sternest protest against the illegal, immoral and inhuman handing over of the Lithuanian defector, Simas Gruze, by U.S. Coast Guard authorities to the Soviet guards.

This act, in total defiance of the U.N. Convention Relating to the Status of Refugees, occurred in American waters and constitutes a most disgraceful violation of our traditional policy of political sanctuary for those fleeing oppression and tyranny.

To surrender a political defector to the claws of the KGB at a time, when the U.S. Government is pleading with the world for its intervention for human treatment of our POW's in North Vietnam is the acme of inhumanity, folly and irresponsibility. Therefore, we fully support your order for an immediate investigation to bring those responsible for this tragic and shameless crime against human rights to account.

This event undoubtedly has marred the American image abroad and makes a mockery of our professed dedication to human freedom at home and abroad. Only immediate rectification of the perpetrated violation, by bringing those culpable to account, can restore in the captive nations behind the Iron Curtain and the free world at large faith in our democracy and respect for our principles of personal freedom and human rights and justice.

EXECUTIVE BOARD,
UKRAINIAN CONGRESS COMMITTEE OF AMERICA,
DECEMBER 2, 1970.

PRESIDENT MASTER OF THE PRESS
CONFERENCE

HON. SAMUEL L. DEVINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 17, 1970

Mr. DEVINE. Mr. Speaker, once again, last week President Nixon came off as the master of the press conference. He

proved, as he must do at each one, that he can handle with equal facility the tough questions, the loaded questions, and the rude questions.

He proved that the press conference can be a worthy vehicle for transmitting news to the American people.

The press also proved something. It proved it can ask searching, meaningful in-depth questions. And it proved that it can ask questions that are self-serving, impudent, designed to embarrass and are utterly asinine.

The points the good questions made in favor of more frequent press conferences were offset by the other questions that proved that some members of the Washington press do not deserve the courtesy of any such conferences.

Mr. Speaker, it is true the President must meet his responsibilities to keep the people informed. But it is equally true that a free press has a duty to keep the people informed in a responsible manner.

MESSAGE TO CONSTITUENTS

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 17, 1970

Mr. HOSMER. Mr. Speaker, annually I send the citizens I am privileged to represent in the Congress a message advising them of some of the services of my office and how they can become available. Within the next few days I will mail this message which is entitled "A Message from Craig Hosmer 'Your Man in Washington'" and reads as follows: A MESSAGE FROM CRAIG HOSMER—"YOUR MAN IN WASHINGTON"

As your Representative in the United States Congress I respectfully invite your views on the issues facing this Nation which are of special concern to you.

In addition to legislative duties, much of my effort is devoted to assisting with the difficult problems of our area which must be solved at the Nation's Capitol.

It also is my pleasure to be of help to you when you encounter a personal problem with a Department or Agency of the Federal Government.

Your letters will reach me for prompt attention when addressed as follows: Congressman Craig Hosmer, Rayburn Building, Washington, D.C. 20515.

On the obverse of the foregoing message is a home or office calendar for 1971.

HOUSE OF REPRESENTATIVES—Saturday, December 19, 1970

The House met at 12 o'clock noon. The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

For God, who commanded the light to shine out of darkness, hath shined in our hearts, to give the light of the knowledge of the glory of God in the face of Jesus Christ.—II Corinthians 4: 6.

Almighty God, who hast declared Thy love to men by the birth of the Holy Child at Bethlehem: Help us to welcome Him with gladness and to make room for Him in all our common days, so that we may live at peace with one another and in good will with all Thy family: In His holy name we pray. Amen.

THE JOURNAL

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

MESSAGE FROM THE SENATE

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

H.R. 4983. An act for the relief of James M. Buster;

H.R. 6049. An act to amend the definition of "metal bearing ores" in the Tariff Schedules of the United States;

H.R. 6854. An act to provide for the free entry of a peal of eight bells and fittings for use of Smith College, Northampton, Mass.;

H.R. 9183. An act to amend the Tariff Schedules of the United States to provide that imported articles which are exported and thereafter reimported to the United States for failure to meet sample or specifications shall, in certain instances, be entered free of duty upon such reimportation;

H.R. 10150. An act for the relief of certain individuals employed by the Department of the Air Force at Kelly Air Force Base, Tex.;

H.R. 10704. An act for the relief of Samuel R. Stephenson;

H.R. 12621. An act for the relief of Lt. Robert J. Scanlon;

H.R. 14271. An act for the relief of Jack A. Duggins;

H.R. 15272. An act for the relief of David L. Kennison;

H.R. 15979. An act to provide that the interest on certain insured loans sold out of the agricultural credit insurance fund shall be included in gross income;

H.R. 16506. An act to amend the Internal Revenue Code of 1954 to clarify the applicability of the exemption from income taxation of cemetery corporations; and

H.R. 16940. An act to extend until December 31, 1972, the suspension of duty on electrodes for use in producing aluminum.

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. 4605. An act to amend the Tariff Act of 1930 and the United States Code to remove the prohibitions against importing, transporting, and mailing in the U.S. mails articles for preventing conception;

H.R. 7311. An act to amend item 709.10 of the Tariff Schedules of the United States to provide that the rate of duty on parts of stethoscopes shall be the same as the rate on stethoscopes;

H.R. 16745. An act to exempt shrimp vessels from the duty imposed on repairs made to, and repair parts and equipments purchased for, U.S. vessels in foreign countries, and for other purposes;

H.R. 17068. An act to amend the Tariff Schedules of the United States to provide for a partial exemption from duty for aircraft manufactured or produced in the United States with the use of foreign components imported under temporary importation; and

H.R. 17473. An act to extend the period for filing certain manufacturers claims for floor stocks refunds under section 209(b) of the Excise Tax Reduction Act of 1965.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 719. An act to establish a national mining and minerals policy.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3619) entitled "An act to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6778) entitled "An act to amend the Bank Holding Company Act of 1956, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 19436) entitled "An act to provide for the establishment of a national urban growth policy, to encourage and support the proper growth and development of our States, metropolitan areas, cities, counties, and towns with emphasis upon new community and inner city development, to extend and amend laws relat-

ing to housing and urban development, and for other purposes."

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1009. An act for the relief of Ruth V. Hawley, Marvin E. Krell, Elaine E. Benic, and Gerald L. Thayer;

S. 1984. An act for the relief of Alice E. Ford;

S. 2793. An act for the relief of Siu-Kel-Fong;

S. 3885. An act for the relief of Maurice Marchbanks;

S. 3971. An act for the relief of Luana Gaja;

S. 3977. An act for the relief of Dr. Hahn Joong Lee;

S. 4261. An act for the relief of Esther Catherine Milner;

S. 4268. An act to amend the Export-Import Bank Act of 1945, as amended, to allow for greater expansion of the export trade of the United States, to exclude Bank receipts and disbursements from the budget of the U.S. Government, and for other purposes; and

S.J. Res. 249. Joint resolution to extend the time for the proclamation of marketing quotas for burley tobacco for the 3 marketing years beginning October 1, 1971.

**A NEW MODERN ATLAS,
ELMER M. GRADE**

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

Mr. SMITH of New York. Mr. Speaker, I rise today to pay particular tribute to a modern Atlas, one Elmer M. Grade, a patriot, who has, through the vagaries of the legislative process, finally, on Thursday last, managed to carry on his back that historic symbol of a bygone era, the *Delta Queen*, to a resounding victory for nostalgia. Mr. Speaker, I would hope that the Greene Line Steamers, Inc., who are apparently the owners of the *Delta Queen*, would grant Mr. Elmer M. Grade a lifetime pass on this now historic ship for his unwitting services above and beyond the call of duty. Mr. Speaker, I yield back the balance of my time.

CALL OF THE HOUSE

Mr. ARENDS. 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. 431]

Abbutt	Biaggi	Camp
Adair	Blackburn	Carey
Addabbo	Blatnik	Celler
Alexander	Bolling	Chamberlain
Anderson,	Brasco	Chappell
Tenn.	Bray	Chisholm
Andrews,	Brock	Clancy
N. Dak.	Brooks	Clark
Annunzio	Brown, Calif.	Clausen,
Ashbrook	Brown, Mich.	Don H.
Aspinall	Burke, Fla.	Clawson, Del
Ayres	Burton, Utah	Clay
Beall, Md.	Button	Cleveland
Bell, Calif.	Byrne, Pa.	Collins, Ill.

Conyers	Harrington
Corbett	Hastings
Coughlin	Hawkins
Cowger	Hays
Cramer	Hébert
Cunningham	Henderson
Daddario	Hungate
Davis, Ga.	Jarman
Delaney	Jones, N.C.
Denney	Kee
Dent	Kleppe
Derwinski	Kluczynski
Devine	Kuykendall
Diggs	Landrum
Dingell	Langen
Donohue	Leggett
Dowdy	Long, La.
Dwyer	Lowenstein
Edmondson	Lujan
Edwards, Calif.	Lukens
Edwards, La.	McCarthy
Eilberg	McClery
Esch	McCulloch
Eshleman	McDade
Evins, Tenn.	McKneally
Fallon	McMillan
Farbstein	MacGregor
Feighan	Martin
Fish	Mathias
Ford,	Matsunaga
William D.	May
Fraser	Meeds
Friedel	Meskill
Fulton, Tenn.	Michel
Gallagher	Mikva
Gaydos	Mize
Gibbons	Montgomery
Gilbert	Morgan
Goldwater	Morton
Gray	Moss
Green, Pa.	Murphy, Ill.
Griffiths	Murphy, N.Y.
Grover	Nedzi
Gubser	O'Konski
Hagan	O'Neal, Ga.
Haley	Ottinger
Halpern	Patten
Hanna	Pelly

Pettis
Philbin
Pike
Pirnie
Podell
Pollock
Powell
Price, Tex.
Pucinski
Purcell
Quie
Quillen
Reid, Ill.
Reid, N.Y.
Reifel
Riegle
Rivers
Rostenkowski
Roth
Roudebush
Ruppe
St Germain
Sandman
Sebellus
Shipley
Sikes
Snyder
Staggers
Stephens
Stokes
Sullivan
Symington
Taft
Thompson, N.J.
Waldie
Watson
Weicker
Whalen
Whalley
Whitehurst
Winn
Wolff
Wyder
Wyle
Yatron
Young
Zion
Zwach

The SPEAKER pro tempore (Mr. ALBERT). On this rollcall 251 Members have answered to their names, a quorum.

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

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 19885, DISTRICT OF COLUMBIA REVENUE ACT OF 1970

Mr. FUQUA. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H.R. 19885) to provide additional revenue for the District of Columbia, and for other purposes.

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

There was no objection.

CONFERENCE REPORT ON H.R. 19436, HOUSING AND URBAN DEVELOPMENT ACT OF 1970

Mr. PATMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 19436) to provide for the establishment of a national urban growth policy, to encourage and support the proper growth and development of our States, metropolitan areas, cities, counties, and towns with emphasis upon new community and inner city development, to extend and amend laws relating to housing and urban development, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 17, 1970.)

Mr. PATMAN (during the reading). Mr. Speaker, I ask unanimous consent to dispense with the further reading in view of the fact that it has been printed in the RECORD and copies are available to all Members right now.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, do I understand that the gentleman is going to explain the conference report and we will have time to hear those who may be in opposition to it?

Mr. PATMAN. Yes.

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

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

There was no objection.

Mr. PATMAN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the conference report on H.R. 19436, the Housing and Urban Development Act of 1970, which is now before the House, includes necessary authorizations for fiscal year 1972 for our housing and urban development programs and authorizes several important new programs.

This bill is not controversial. It passed the House in nearly the same form by a vote of 328 to 30. It passed the Senate by a vote of 59 to 2.

I am pleased to report that the House conferees prevailed on roughly two out of every three items of difference between the two bills. Most important, the total dollar authorization in the bill—approximately \$2.8 billion—is much closer to the House-passed bill, which was \$2.4 billion, than the Senate bill which was approximately \$4 billion.

Mr. Speaker, the principal changes made in conference are as follows:

First. The conference report contains the urban growth and new community development provisions which were deleted from the House bill by a narrow vote. These provisions provide for the development of an urban growth policy by the President and establish a greatly expanded new community development program within the Department of Housing and Urban Development.

Second. The conference report contains provisions authorizing the Secretary of Housing and Urban Development to initiate a program of Federal insurance against crime. The House bill made this program effective immediately; however, the conference report provides a short grace period during which the States can move to provide crime insurance. The report provides that the Secretary would conduct a continuing review of the availability of crime insurance at affordable rates; if he determines that such insurance is not avail-

able, he would be authorized to provide crime insurance directly on or after August 1, 1971. Of course, we hope the States take action by themselves; but, we urge the Secretary to be prepared to implement the program immediately on August 1, 1971.

Third. The conference report contains Senate amendments dealing with public housing rent requirements and Federal assistance for public housing operating and maintenance expenses. Prior legislation has restricted the maximum rent which may be set by public housing authorities at no more than 25 percent of tenant income. The conference report establishes a definition of income for purposes of this provision, which modifies slightly the definition contained in the Senate bill. In addition, the report makes clear that HUD is permitted to pay additional amounts to public housing agencies to help improve maintenance and operation of projects and to provide services to tenants. This action clears up a year-long dispute between the Congress and the Department.

Mr. Speaker, there are many other differences between the conference report and the House-passed bill. However, its essential features are the same as the bill which was overwhelmingly passed by the House. A summary follows:

	Fiscal year—		
	1971	1972	1973
Title I—Mortgage Credit:			
Section 235.....	\$25	\$30	.....
Section 236.....	25	30	.....
Rent supplements.....		40	.....
Title II—Renewal and Housing Assistance:			
Urban renewal.....		1,500	.....
Public housing.....	150	225	.....
College housing.....		12	.....
Title III—Model Cities and Metropolitan Development:			
Model cities grants.....		200	.....
701 comprehensive planning.....		30	.....
Neighborhood facilities.....		50	.....
Title IV—Open-space Land Programs: Open-space, urban beautification, historic preservation.....		100	.....
Title V—Research and Technology: Housing allowance demonstration.....		10	\$10
Abandoned properties demonstration.....			.....
Title VII—Urban Growth and New Community Development:			
Planning grants.....	5	5	.....
Supplementary grants.....	36	66	66
Loans to cover interest charges.....	240		.....
Title IX—Miscellaneous: Technical assistance to small business contractors.....	1.5	1.5	1.5
Totals.....	482.5	2,319.5	77.5
		2,879.5	

Mr. Speaker, there is a matter of concern I wish to mention and that is the way in which the Farmers Home Administration is administering the technical assistance grants for self-help housing authorized under section 523 (b) (1) (A) of their authority under title V. This program was enacted in 1968 building on the experience of the Office of Economic Opportunity's Migrant Division, which has been funding self-help housing sponsors to work with migrant and seasonal farmworkers.

A major purpose of providing Farmers

Home Administration with this authority was to supplement the limited funds which OEO's Migrant Division had to put into the program. Another purpose was to make the program available to a wider spectrum of low-income families, since those self-help organizations funded by the Migrant Division were limited to serving only farmworkers and only families below the official poverty line. Now I learn that the Acting Assistant Administrator for Rural Housing in the Farmers Home Administration is imposing some artificial limitations of his own on this program which cannot be justified on the basis of the law nor even on the basis of Farmers Home's own written procedures.

The artificial limitation to which I refer is the requirement—evidently expressed verbally to applicant self-help organizations, but not put in writing—that they assure Farmers Home Administration that a majority of the families they serve will not be farmworkers.

Now, for the Migrant Division of OEO to, in effect, discriminate in favor of farmworkers is in accordance with its special legislative mandate. But, for Farmers Home Administration to discriminate against farmwork by enforcing a quota system is another matter entirely and is without support in the legislation. The intent of the legislation was to help low-income families—whether farmworkers or nonfarmworkers—get better housing through the self-help process. The law says nothing about establishing quotas or limits either for or against farmworkers and neither does Farmers Home's Instruction 444.10, which deals with the self-help technical assistance program. With regard to those organizations eligible for grants, it requires that they be "organized for the primary purpose of assisting low- and moderate-income families to obtain adequate housing"—it does not require that they serve only a certain quota of farmworkers or a certain quota of nonfarmworkers.

Mr. Speaker, I want to serve notice here and now—to the Secretary, to the Administrator of Farmers Home, and most particularly to the Acting Assistant Administrator for Rural Housing—that I do not find in the legislation any justification for a policy of quotas affecting farmworkers or their being served by agencies further under section 523 (b) (1) (A). I do not find any such justification in their own procedures. I do not believe there is any adequate justification, and I suggest that this arbitrary and unsupported policy be discontinued immediately unless and until the agency is prepared to seek a legislative basis for it from the Congress.

I further suggest that the Farmers Home Administrator take affirmative steps to offset any adverse effects which this quota system may have had on earlier applicants for self-help technical assistance grants or on potential applicant agencies.

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

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

Mr. JONAS. I would most respectfully

have to dissent from the statement made by the distinguished chairman of the committee. The legislation incorporated in the conference report bears slight resemblance to the bill that passed the House. The gentleman has talked about the House passing the bill so overwhelmingly. That was an entirely different bill. One entire title that was stricken in the House has now been restored in conference.

In the House we closed back-door spending. The conferees came in and surrendered on that proposition. This bill is now filled with back-door spending, which would permit the Secretary of Housing and Urban Development to bypass the appropriation process. The activities of the Corporation are not controlled by the Corporation Control Act. We wrote a provision in the bill on this floor requiring that it be subject to that act.

Mr. PATMAN. I will yield to the minority if the minority wishes time.

Mr. JONAS. Mr. Speaker, will the gentleman yield 1 additional minute?

Mr. PATMAN. I yield.

Mr. JONAS. If the parliamentary situation were such that it would be possible to do so, I would offer a motion to recommit this conference report with instructions to restore the appropriation process in the financing sections of this bill, and subject the Corporation created under it to the Corporation Control Act. But I understand that such a motion would not be in order because the Senate has already adopted the conference report and dismissed its conferees.

So the only opportunity that those of us who are opposed to back-door spending will have to register our objections will be to vote down the conference report, and I intend to vote to do that.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

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

Mr. GERALD R. FORD. I share the views of the gentleman from North Carolina. The House passed a far more acceptable housing bill, having knocked out title I, which was bad legislation. This conference report took the Senate version of that provision and then added to the Senate version two provisions which were in the House version, and both of those provisions were very unacceptable. So you took a bad provision from the other body and added two provisions in the defeated proposal in the House version, and we end up with the worse of two worlds.

The conferees, by capitulating to the Senate, did not stand up to the House of Representatives direction.

Mr. PATMAN. The conferees are proud of what they did, because they examined the bill very thoroughly, very carefully, and sat for several days trying to agree. It was thoroughly gone into, and I think really it is a good bill. The conferees think it is a good bill.

I would like to say that the Senate passed it unanimously. I do not share the views of the distinguished gentlemen who have spoken in opposition to it.

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

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

Mr. ASHLEY. I think it might be pointed out with respect to title I of the House bill was stricken out but, of course, it was an appropriate subject for the conference. It is worth noting that all of the conferees, the conferees on the part of the House and the conferees on the part of the Senate, were of a mind that the Senate version should prevail, and that title I should be reinstated.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

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

Mr. GERALD R. FORD. The conferees are supposed to go over there and defend the House position, and you did not do it.

Mr. ASHLEY. Let me say to the gentleman from Michigan that title I was stricken by a very close vote in the House—very close. That same title was adopted by the Senate with four votes dissenting; it was adopted overwhelmingly on the part of the Senate, and it was very close on the part of the House. It was the judgment of your conferees and those on the part of the minority of the other body that the Senate position should prevail.

Mr. GERALD R. FORD. Do you not have an obligation to uphold the version approved by this body? Why do you go over there with the idea that you are going to capitulate when you are on the way over to a conference?

Mr. ASHLEY. As the chairman said, on two out of every three issues that were raised in the conference, the House position prevailed.

Mr. PATMAN. We did have some provisions in the House bill we could not defend because the Senate conferees were adamantly opposed to them.

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

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

Mr. WAGGONNER. Will the gentleman please explain to me what provisions in the House bill the gentleman supported that he could not defend, when the gentleman voted for this bill?

Mr. PATMAN. There were a couple of provisions that had to be removed due to the insistence of the Senate. That is what I am talking about.

Mr. WAGGONNER. Tell me what provisions of the House-passed bill the gentleman supported and endorsed that he could not defend?

Mr. PATMAN. I did not say I endorsed them.

Mr. WAGGONNER. The gentleman endorsed them when he voted for them.

Mr. PATMAN. No.

Mr. WAGGONNER. Does the gentleman mean he voted for the bill and did not endorse what he voted for?

Mr. PATMAN. The gentleman has to give me time to answer. He cannot just keep asking me questions.

Mr. WAGGONNER. I would like to have an answer to the first one.

Mr. PATMAN. We did have a provision in the Senate bill the gentleman from Michigan was much in favor of but it did not prevail in conference. It was to per-

mit the utilities to go into the housing business through wholly owned subsidiaries. The conference just could not get a majority vote for it.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield on that point?

Mr. WAGGONNER. I am not through yet. Let me at him a little while longer, if the gentleman will yield to me.

Mr. PATMAN. It is the gentleman's amendment so I am constrained to yield to him.

Mr. WAGGONNER. Will the gentleman yield to me for another question?

Mr. PATMAN. Yes.

Mr. WAGGONNER. How many times, how long, how many hours did this committee sit with the Senate in conference on this bill?

Mr. PATMAN. We sat for several hours; about 12 over 3 days.

Mr. WAGGONNER. For several hours, and the House conferees gave in in several hours?

Mr. PATMAN. Our motives were good.

Mr. WAGGONNER. Let me tell the gentleman I do have some questions, because the gentleman continually refuses to defend the House position, and he continually brings back something else, and I am getting sick and tired of it. I am getting sick and tired of reading in the newspaper that the Senate takes control of House-passed legislation. Anytime we do not yield to them, they have a filibuster, but we always yield to them. It is time for our conferees to start defending the House position.

Mr. PATMAN. The gentleman sounds as if he were speaking from knowledge.

Mr. WAGGONNER. I know about as much of what is in the bill as the gentleman does, because he cannot answer my questions. This conference report has just now been made available.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

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

Mr. GERALD R. FORD. I am glad the distinguished chairman brought up this amendment which was in the bill from the other body, which would authorize the public utilities to get into low-cost housing. The gentleman from Texas has opposed that particular provision, and I understand he fought doggedly against accepting the Senate version in this instance. He had his heart set in opposition to that amendment. But when he went over there with the House version on title I, he obviously did not have his heart set on defending the House position, so he capitulated.

I will say only one thing. From now on we will have to instruct the House conferees so they will at least be told to defend the House position.

Mr. PATMAN. The gentleman said I was opposed to the provision before I went over there. That is not true. In fact, I did not even know it actually was retained in the Senate bill until we went to conference. I thought it had been eliminated. I am surprised the gentleman would even offer it. It would have amended the Public Utilities Act of 1935 in a HUD bill.

Mr. GERALD R. FORD. If the gentle-

man will yield further on that point, the gentleman knows very well that provision was in the Senate version. It was coauthored by the distinguished Senator from Michigan, Senator HART, and the distinguished Senator from Michigan, Senator GRIFFIN, a bipartisan effort. The gentleman from Texas knew very well that provision was in the bill.

Mr. PATMAN. I am surprised that the distinguished gentlemen, such as the distinguished gentleman from Michigan and the distinguished minority leader, would insist on something that is really out of order and subject to a point of order.

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

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

Mr. JONAS. Would the distinguished chairman of the committee tell the House now how many new provisions are in this conference report that were not even considered in the House?

Mr. PATMAN. I could not tell that, there are no new programs put in by the conference.

Mr. JONAS. There are several I know.

Mr. PATMAN. You could very quickly find out.

Mr. JONAS. I did not have the conference report until today.

Mr. PATMAN. You have it right now.

Mr. JONAS. I cannot read 35 pages in 5 minutes. You were in the conference. You can tell us how many new provisions were inserted.

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

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

Mr. BARRETT. I want to say to the gentleman, in answer to his question, there are no new provisions in this conference report. We did try to change one provision in it and the Senate objected and we yielded to the Senate because we felt it would be subject to a point of order.

Mr. JONAS. The gentleman from Texas, in the well, stated in his opening remarks that there were three or four provisions included in the conference report that were not considered in the House. I asked him to specify them.

Mr. PATMAN. No, I do not think the statement is exactly correct. I said there were two provisions in the conference that we could not accept, and I referred to one of them.

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

Mr. PATMAN. I yield.

Mr. WAGGONNER. I do not think the gentleman made an exact statement, because if he will read the record book that has been transcribed, what the gentleman said was that there were two positions that the conferees could not defend.

Mr. PATMAN. That is correct.

Mr. WAGGONNER. The latter statement is correct.

Mr. PATMAN. There were several I did defend.

Mr. WAGGONNER. You did not say "defend"; you said "could not defend."

Mrs. GREEN of Oregon. Mr. Speaker, will the gentleman yield?

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

Mrs. GREEN of Oregon. I thank the gentleman for yielding.

Without speaking to the report now before us, but to a much broader issue—I know nothing about the conference on housing—I would say I have participated in conference meetings where on the House side we have fought tenaciously for a certain provision and have prevailed, and I have gone to conference committees and seen the House recede on point after point after point, so that the bill comes back and there is no resemblance in the conference committee report to the position taken by the majority of the House.

My suggestion today, for what it is worth, is that a major change in the rules might well be considered by the House, that the majority of the conferees on the majority side and the majority of the conferees on the minority side should be chosen on the basis that they supported the position taken by the House before we go to conference.

It seems to me, no matter what the conference session is, then the House, without giving instructions, would be assured that the majority of the House conferees would be defending the House position, as the rules require.

I thank the gentleman for yielding. This does not pertain to this conference report.

Mr. PATMAN. I thank the gentleman. She made a very wise suggestion. If you want to change the rules, change them; but in this case the conferees appointed were certainly in sympathy with the House position.

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

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

Mr. WAGGONNER. I thank the gentleman for yielding. Now the Senate has acted; is that correct?

Mr. PATMAN. That is correct.

Mr. WAGGONNER. They have dismissed their conferees?

Mr. PATMAN. Yes.

Mr. WAGGONNER. Which means we cannot move to recommit it to conference. But we can vote it down, and the Senate will be forced to reappoint conferees.

Mr. PATMAN. Certainly you have a right to vote it down.

Mr. WAGGONNER. I think that is what this House ought to do, too.

Mr. PATMAN. Of course you have a very fine housing bill here you would be voting against. People are desperately in need of housing.

Mr. WAGGONNER. You are talking to one man who has the courage to vote against it. I know it is not all bad. I know FHA must be extended but you have forsaken the House position.

Mr. PATMAN. We have a goal of 2.6 million houses a year commencing in 1968, and we have not produced 40 percent of that number. So we are badly and sadly behind on housing construction. We need housing. I think you had better think twice before you vote against a good housing bill like this.

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

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

Mr. BARRETT. I just want to inform

the House if they vote this conference report down they will vote down the money for public housing, they will vote down the money for the 235 and 236 programs, they will vote down the rent supplement program. There will be no money left for these very essential and very important programs. So I hope the House will not take that action.

Mr. PATMAN. Mr. Speaker, I have no further requests for time.

Does the gentleman from New Jersey (Mr. WIDNALL) want time?

Mr. WIDNALL. Yes, I would like time.

Mr. PATMAN. How much time do you want?

Mr. WIDNALL. We have a total of 1 hour?

Mr. PATMAN. We have an hour.

Mr. WIDNALL. What have you taken up to now?

The SPEAKER pro tempore. The gentleman has consumed 20 minutes.

Mr. WIDNALL. Would you yield me 20 minutes?

Mr. PATMAN. Certainly, if you want 20 minutes. And you may yield to anybody you want to.

Mr. Speaker, before I yield, let me say in conclusion this report was signed by all of the conferees of the House and Senate. It is a very carefully prepared report, and we are all proud of it. It furnishes housing to the people who need housing so badly.

Mr. PATMAN. Mr. Speaker, I also include in my remarks a letter recently received by me from the president of the National Association of Homebuilders in support of the conference report bill:

DECEMBER 1, 1970.

HON. WRIGHT PATMAN,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I understand that H.R. 19436, the proposed Housing and Urban Development Act of 1970, is due for consideration on the floor of the House tomorrow. This extremely significant bill will enable the many essential housing and development programs of HUD to keep going. Without it, many of the FHA and other HUD programs will not have sufficient funds to carry on at least through the next fiscal year.

It is essential to the nation and the home-building industry that there be no interruption in HUD's ability to continue its part of the job of housing our citizens. This bill would enable HUD to do this. Other proposals, which we understand have been made for a short extension of the FHA insuring authority plus minimal authorizations for some of the HUD programs, are not adequate to assure that HUD and the housing industry will be able to maintain their present pace. In the current period of uncertainty in the economy, such a downgrading of housing could be disastrous.

We urge your resistance to efforts that would strip the substance from H.R. 19436, leaving only a bare bones skeleton. The housing and urban development needs of the country demand more than skeleton legislation.

Sincerely,

LOUIS R. BARBA,
President.

Mr. BARRETT. Mr. Speaker, will the gentleman yield to me before he leaves the floor?

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

Mr. BARRETT. Mr. Speaker, I rise in

strong support of the conference report on the bill, H.R. 19436, the Housing and Urban Development Act of 1970. This conference report is the result of 3 days of long and arduous meetings to reconcile the House and Senate differences on the 1970 housing bill. There were some 85 major differences to be agreed upon in the conference, as well as many more minor and technical differences. It was a difficult conference, because this bill was a long and complex piece of legislation with a number of controversial provisions, but we were able to reach a bipartisan agreement on all matters before the conference. As the members will see, the conference report has been signed by all of the minority members participating in the conference.

We have gone a long way in this year's housing bill in establishing new directions toward a much-needed long-term policy on the problems of urban growth and new communities. We have also sought to keep with our commitments in meeting the housing goals, which we set for ourselves in 1968 or 26 million units of housing over the next decade, with 6 million of these units being for federally assisted low- and moderate-income housing. We have also established for the first time a much needed program to guarantee the availability of crime insurance by the Federal Government. This new provision is much needed in many of our cities, particularly by small businessmen and homeowners. There are also provisions to assist the Department of Housing and Urban Development in simplifying a number of their housing programs.

This conference report is basically the same bill that was the Stephens' substitute, which was considered by the full House on December 2 and 3. There was very little change made in the conference with regard to the Stephens' substitute, so that this conference report is basically very close to what the House passed December 3, with the exception that the conferees included in the conference report, Mr. ASHLEY's urban growth and new communities title which was defeated very narrowly by a teller vote December 3. We have cut back on a number of authorizations in the conference report, particularly the urban renewal program and model cities program. We increased the authorization for public housing for fiscal year 1972, and we have included a number of provisions regarding the operations of the public housing program that were contained in the Senate-passed bill. These amendments, sponsored by Senator BROOKE of Massachusetts, which had my strong support, will go a long way, I hope, in aiding local public housing authorities to meet the rising cost of maintenance and operation. We have also provided additional funds for the very important section 235 homeownership assistance program and the section 236 rental housing program. The conference report adopted the House provisions on farm housing, which will liberalize a number of programs for housing in rural areas, particularly for migrant farm laborers. I would urge the Secretary of HUD to take all necessary steps, immediately, to assure that the

benefits of the section 235 program are limited to families which cannot afford to obtain decent homes without subsidy. This has been a matter which has been before our committee all year and before the full House, it has been discussed and debated considerably, so that I urge the Secretary to proceed along these lines with all deliberate speed. In particular, the Secretary should make sure that a family who can afford an old house without a subsidy not be given a subsidy to buy a new house with a subsidy.

Mr. Speaker, before closing I would like to take this opportunity to compliment the distinguished ranking minority member of the Banking and Currency Committee, Mr. WIDNALL, who has contributed more to this housing bill, than to any other housing bill on which he and I have worked over the past few years. Without his assistance and leadership, I do not believe that there would have been a housing bill this year. I would also like to compliment the distinguished gentleman from Ohio (Mr. ASHLEY), whose 2 long years of work have resulted in the adoption, for the first time, of the urban growth and new community program. Also, I would like to extend my compliments to the distinguished gentleman from Georgia (Mr. STEPHENS), who has done much to assist us in acting on this very important bill. He has cooperated with us and assisted us in every step of the way in expediting this piece of legislation; and finally, I would like to thank the distinguished chairman of our committee, Mr. PATMAN, for all of his cooperation and leadership which he has exercised this year in the field of housing and urban development. Mr. Speaker, I urge the adoption of the conference report.

Mr. HANNA. Mr. Speaker, I say to the gentleman from Pennsylvania (Mr. BARRETT), I note that section 821 of the House-passed version of the bill is now section 920 of the bill agreed to by the conferees. This is the section dealing with the relationship between savings and loan associations which are controlled by holding companies, and the service corporations of these savings and loan associations. There is a technical aspect of the legislative language which I believe needs some clarification. The language does not specifically spell out the purposes for which the proceeds of the loan, discount, or extension of credit received by the third party may be used. I understand it was intended that the proceeds of the loan, discount or extension of credit granted by an association to a third party on security of property acquired from the service corporation could be paid over to the service corporation in consideration for the property as well as services rendered by the corporation in connection with the transaction. Would the gentleman kindly advise me as to whether my understanding of this is accurate?

Mr. BARRETT. Yes; that is the intention of the legislation. The language of the section will extend equal powers to all savings and loan associations, whether under holding companies or not, in their dealings with their service corporations and its dealings.

Mr. HANNA. Then I assume all savings and loans and their service corporations will be able to operate under policies now in effect.

Mr. BARRETT. That is correct. At this point I wish to include the Bank Board regulations relating to service corporations:

THE REGULATION: 6.545.9-1 SERVICE CORPORATIONS

(a) General service corporations.

Subject to the provisions of this section, a Federal association which has a charter in the form of Charter N or Charter K (rev.) may invest in the capital stock, obligations, or other securities of any service corporation organized under the laws of the State, District, Commonwealth, territory, or possession in which the home office of such association is located if:

(1) The entire capital stock of such service corporation is available for purchase by, and only by, any and all savings and loan associations with a home office in that State, District, Commonwealth, territory, or possession, and the capital stock is owned by more than one savings and loan association;

(2) Not more than 10 percent of the outstanding capital stock of such service corporation is, or may be, owned by any savings and loan association, except that in any State, District, Commonwealth, territory or possession in which the home offices of less than 15 savings and loan associations are located, not more than 33½ percent of the outstanding capital stock of such service corporation is, or may be, owned by any savings and loan association;

(3) Every eligible savings and loan association is permitted to own an equal amount of the capital stock of such service corporation or, on such uniform basis as may be fixed by such corporation, each such association is permitted to own an amount of capital stock that is a stated percentage of its assets or savings capital at the time of any purchase by it of such stock, but capital stock outstanding on December 31, 1964, may be disregarded in determining compliance with this requirement; and

(4) Substantially all of the activities of such service corporation, performed directly or through one or more wholly-owned subsidiaries, consist of one or more of the following:

(i) originating, purchasing, selling, and servicing loans, and participations in loans secured by first liens upon real estate and mobile homes, including brokerage and warehousing of such real estate and mobile home loans;

(ii) originating, purchasing, selling, and servicing educational loans;

(iii) making any investment of the types specified in § 545.9 and § 545.9-3;

(iv) performing the following services, primarily for savings and loan associations with home offices in the same State, District, Commonwealth, territory, or possession:

(a) clerical services, accounting, data processing, and internal auditing;

(b) credit information, appraising, construction loan inspection, and abstracting;

(c) development and administration of personnel benefit programs, including life insurance, health insurance, and pension or retirement plans;

(d) research, studies, and surveys;

(e) purchasing of office supplies, furniture, and equipment;

(f) development and operation of storage facilities for microfilm or other duplicate records;

(g) advertising and other services to procure and retain both savings accounts and loans.

(v) acquisition of unimproved real estate lots, and other unimproved real estate for the

purpose of prompt development and subdivision, principally for construction of housing, or for resale to others for such construction, or for use as mobile home sites;

(vi) development and subdivision of, and construction of improvements (including improvements to be used for commercial or community purposes, when incidental to a housing project) for sale or for rental on, real estate referred to in subdivision (v) of this subparagraph;

(vii) acquisition of improved residential real estate and mobile homes to be held for rental;

(viii) acquisition of improved residential real estate for remodeling, rehabilitation, modernization, renovation, or demolition and rebuilding for sale or for rental;

(ix) maintenance and management of rental real estate referred to in subdivisions (vi), (vii), and (viii) of this subparagraph, and any real estate owned by holders of its capital stock;

(x) participation in any manner (without regard to the requirement that activities be performed directly or through a wholly-owned subsidiary) with any service corporation which meets the requirements of this section, or with any non-profit organization in any of the activities referred to in subdivisions (v) through (ix) of this subparagraph or activities reasonably incidental thereto;

(xi) activities reasonably incidental to the activities described in the foregoing subdivisions of this subparagraph (4); and

(xii) such other activities, including a joint venture in any other activity or in any activity specified in this paragraph (4), as the Board may approve upon application therefor by any such service corporation or otherwise.

(b) Other service corporations. In addition to investment in a service corporation which meets the requirements of paragraph (a) of this section, a Federal association which has a charter in the form of Charter N or Charter K (rev.) may invest in the capital stock, obligations, or other securities of any service corporation organized under the laws of the State, District, Commonwealth, territory, or possession in which the home office of the association is located if:

(1) The entire capital stock of such corporation is held by one or more savings and loan associations or Federal associations with a home office in that State, District, Commonwealth, territory or possession;

(2) The activities of such corporation, performed directly or through one or more wholly-owned subsidiaries, consist solely of one or more of the activities specified in subdivisions (1) through (xi) of paragraph (a) (4) of this section, and such other activities, including acting as insurance agent or broker, escrow agent, or trustee under deeds of trust, and including a joint venture in any such other activity or any activity specified in said subdivisions (1) through (xi), as the Board may approve upon application therefor by such corporation or otherwise; and

(3) The following limitations are complied with:

(1) If 5 or more savings and loan associations (including any Federal association) hold capital stock in such corporation and no one such association holds more than 40 percent of such stock, such corporation, including any subsidiary, does not incur or have outstanding at any time unsecured debt, other than to a holder of its capital stock, in excess of an amount equal to 2 percent of the assets of the holders of its capital stock, and does not incur or have outstanding at any time secured debt, other than to a holder of its capital stock, in excess of an amount equal to 4 percent of such assets (secured debt will be deemed to be unsecured for purposes of this subparagraph (3)

to the extent that such debt exceeds the market value of any security therefor); and

(ii) If less than 5 savings and loan associations (including any Federal association) hold capital stock in such corporation or one such association holds more than 40 percent of such stock, such corporation, including any subsidiary, does not incur or have outstanding at any time debt in excess of the following limitations:

(a) In the case of unsecured debt, other than to a holder of its capital stock, the lesser of an amount equal to (1) 1 percent of the assets of the holder or holders of its capital stock, or (2) the investment in the stock, obligations, or other securities of such corporation by the holder or holders of its capital stock, excluding secured debt owed by such corporation to such holder or holders; and

(b) In the case of secured debt, other than to a holder of its capital stock, the lesser of an amount equal to (1) 4 percent of the assets of the holder of its capital stock or (2) 4 times the investment in the stock, obligations, or other securities of such corporation by the holder or holders of its capital stock, excluding secured debt owed by such corporation to such holder or holders.

(c) Limitations.

A Federal association may make any investment under this section if its aggregate outstanding investment in the capital stock, obligations, or other securities of service corporations and subsidiaries thereof (including all loans, secured and unsecured, to service corporations, or any subsidiaries thereof, and to joint ventures of such service corporations or subsidiaries, whether or not the Federal association is a stockholder in such service corporations) would not thereupon exceed 1 percent of the association's assets. For the purposes of this section, the term "aggregate outstanding investment" means the sum of amounts paid for the acquisition of capital stock or securities and amounts invested in obligations of service corporations less amounts received from the sale of capital stock or securities of service corporations and amounts paid to the Federal association to retire obligations of service corporations.

(d) Examination.

No Federal association may invest in the capital stock, obligations, or other securities of any service corporation unless said service corporation has executed and filed with the Supervisory Agent of the Board at the Federal Home Loan Bank of the district in which such corporation is located a written agreement, in form prescribed by the Board, that:

(1) In the case of a service corporation described in paragraph (a) of this section, such corporation will permit and pay the cost of such examination of the corporation by the Board as the Board from time to time deems necessary to determine the propriety of any investment by a Federal association under this section; and

(2) In the case of a service corporation described in paragraph (b) of this section, such corporation, if not one which meets the requirements of § 6.545.14-3, will permit and pay the cost of such examination and/or audit by the Board as the Board may from time to time deem necessary.

(e) Disposal of investment. Whenever a service corporation engages in an activity which is not permissible for or exceeds the limitation on, a service corporation in which a Federal association may invest, or whenever the capital stock ownership requirements of this section are not met, a Federal association having an investment in such corporation including any subdivision thereof, shall dispose of such investment promptly unless, within 90 days following the date of mailing of written notice by the Board to such investing association, the impermissible activity is discontinued, the limitation is

complied with, or the capital stock ownership requirements are met.

(f) Corporate name. No Federal association may invest in, or retain any investment in, the capital stock, obligations, or other securities of any service corporation the corporate name of which includes the words "National", "Federal", or "United States" or the initials "U.S."

(g) Applications. Any application which is made to the Board under this section shall be in form prescribed by the Board and filed with the Supervisory Agent of the Board at the Federal Home Loan Bank of the district in which the applicant is located. In the case of a proposed service corporation which has not yet been organized, any application provided for in this section may be made by one or more Federal associations which propose investment in such corporation.

(h) Revision of specified activities and limitations. The activities and limitations specified in this section for service corporations in which Federal associations may invest are subject to revision from time to time.

(i) Limitations on activities. The activities which are specified in this section for service corporations in which Federal associations may invest do not include their use to acquire "scheduled items", as defined in § 561.15 of this chapter, from an "insured institution", as defined in § 561.1 of this chapter.

(j) Previous approvals. In the case of any investment by a Federal association in a service corporation which was specifically approved by the Board under paragraph (b) of this section prior to July 2, 1970, said approval is hereby deemed to apply to such investment on and after July 2, 1970, if the activities of such corporation consist only of those activities specifically approved by the Board and any activities described in paragraph (b) (2) of this section, and if the limitations of this section are complied with.

(k) Definition of "joint venture." The term "joint venture" as used in this section means any joint undertaking with one or more persons or legal entities in any form, including a joint tenancy, tenancy in common, or partnership and including investment in a corporation other than a wholly-owned subsidiary.

(Mrs. SULLIVAN, at the request of Mr. BARRETT, was given permission to extend her remarks at this point in the RECORD.)

Mrs. SULLIVAN. Mr. Speaker, most of the Members from both Houses who served on the conference committee on the housing bill had just gone through a very long and wearying and often bitter battle over the one bank-holding company bill—and then we engaged in another protracted series of hard negotiating sessions on the bill now before us. Hence, we knew we had to make numerous concessions on both sides in a desire to reach agreement on a compromise bill which we could pass in these final days of the 91st Congress. There are many good features in the conference agreement, and I hope it succeeds in stimulating a desperately needed expansion in our housing supply and in the availability of construction and mortgage funds.

Four provisions of the House bill were directed to the elimination of scandalous situations in home financing practices uncovered here in the District of Columbia, and found to be true elsewhere in the country as well, by an ad hoc subcommittee on Home Financing Practices and Procedures which I chaired

in this Congress, by appointment of Chairman PATMAN of the Committee on Banking and Currency. Three of those four reforms are contained in the conference report.

PENALTY FOR FALSE CLAIMS

One of them makes it a Federal crime to submit false data to an insured savings and loan on the true value of a property on which a mortgage is to be granted—a protection against fraud which the law already accords to Federal financial institutions and to nearly all federally insured financial institutions, such as banks, credit unions, and so forth.

Because of a longstanding loophole in this section of the Criminal Code, insured savings and loans have not had this same protection. From now on they will be protected in this fashion. This should help to end the deliberate falsification of sales prices on homes, often achieved through fictitious transfers through straw parties—one of the major devices used in Washington, and in many other parts of the country, to inflate the cost of inner city housing.

The Government's own stake in this is extremely high. That is because many of these properties carry mortgages issued by insured savings and loans at excessive levels compared to the property's real value. When defaults occur, as they often do on these overpriced properties, the Federal Savings and Loan Insurance Corporation may then have to pick up the loss. In addition, and this is becoming increasingly significant, the FHA often subsidizes the interest rate for low-income families buying these homes at inflated prices, and if the mortgage is based on fraudulent claims as to the property's value, the Government is then paying up to 7½ percent or 8 percent interest per year on a mortgage which may be as much as twice what the property may really be worth.

These fraudulent valuations practices must be halted. Giving the savings and loans the protection of the criminal code provisions against false claims should help to deter these abuses, if the law is enforced.

REGULATING DISTRICT OF COLUMBIA SAVINGS AND LOANS

Another provision of the House-passed bill contained in the conference bill brings all insured savings and loans or similar institutions in the District of Columbia under the direct supervision and regulatory authority of the Federal Home Loan Bank Board, eliminating a no-man's-land, the nonregulation of savings and loans in the District which are insured by the FSLIC but are not federally chartered institutions. As we found in our investigation, at least one major savings and loan in the District had all of the advantages of Government insurance of its deposits, but none of the responsibilities flowing from effective Government regulation. It was able to get away with practices we now hope to see eliminated completely here.

SPECIAL ASSISTANT TO HUD SECRETARY FOR ASSISTED HOUSING

A third section of the conference bill resulting from the work of the ad hoc

subcommittee provides for the creation in the Department of Housing and Urban Development of a new position of Assistant to the Secretary for assisted housing—to help nonprofit groups which are interested in providing better housing for low-income families to obtain the assistance they urgently need in coping with the bureaucratic requirements for clearance of their applications and funding. This would be a central clearing office for all applications, for the dissemination of information, and—most important—for actual service in the preparation of forms and other required data. This office will also have as its assignment the development of simpler procedures, so that the mass of paperwork can be reduced and much of it eliminated. We heard testimony in our hearings of individuals having to prepare and sign hundreds of separate documents for qualification of an assisted housing project and in one case there were 80 documents required for a single house. This is ridiculous.

SAVINGS AND LOAN CONFLICTS OF INTEREST

One of the most important recommendations of my ad hoc subcommittee was that strong and effective regulations be developed and enforced by the Federal Home Loan Bank Board covering insider-dealing, self-dealing, and conflicts of interest of all kinds by officials of insured savings and loans. These regulations, we said, should cover such things as preference to appraisal services or title companies or insurance firms in which officials of the savings and loan have a personal interest, and the whole range of abuses we uncovered in which savings and loans were run as virtually private little empires rather than as membership organizations imbued with public accountability requirements.

At my request, the Home Loan Bank Board submitted language to our committee for inclusion in the housing bill—language which carried out the subcommittee's intention that the Board have sufficient authority to issue the kind of regulations we proposed. The Board itself took no stand on that legislative language—it merely provided it to me as a drafting service. Subsequently, however, the House modified that language to such an extent that, in my opinion, it became meaningless. The Home Loan Bank Board, at that point, submitted to the conferees revised language for a conflict-of-interest amendment which it formally endorsed and supported.

In conference, we could not persuade the Senators at this late date in the 91st Congress to pursue this complex issue, on which the Senate committee had held no hearings, and so we dropped from the legislation the language on conflict of interest passed by the House.

However, the Senate conferees indicated that in their opinion the Home Loan Bank Board under existing law already had far more power in this area of regulating conflicts of interest among officers and directors of insured savings and loan institutions than it has ever attempted to use. The conferees agreed that in the statement of managers on the part of the House to accompany the

conference report, we would indicate that the Senate conferees joined the House conferees in calling now for vigorous use of the Board's regulatory authority to stop abuses growing out of conflict-of-interest situations such as my subcommittee had spotlighted.

Furthermore, the chairman of the Senate committee and the chairman of the House committee agreed that in the new Congress hearings will be scheduled on both sides of the Capitol to go into this issue comprehensively.

Mr. WIDNALL. Mr. Speaker, this conference report is the product of much deliberation on the part of both the Senate and House conferees. The House was able to retain the large part of the bill as it passed this body. There are provisions in this conference report which improve the House-passed bill.

Let me draw attention to title VI dealing with the direct writing of crime insurance by the Federal Government.

The unavailability of crime insurance at reasonable rates is a serious problem in a number of States. The House bill would have required the HUD Secretary to begin writing insurance immediately in those States where crime insurance is not available or available only at unreasonable rates.

The conference report delays the direct Federal writing of crime insurance until August 1, 1971.

This was a sound compromise. Insurance is basically an item for State regulation. It is hoped that by delaying the date when the Secretary of Housing and Urban Development must provide crime insurance, those States which have a serious problem in making crime insurance available, will take the appropriate action to provide a solution to this crisis at the State level, and thereby make Federal direct crime insurance unnecessary.

The conference report contains a provision relating to the compensation of the owners of existing houses, bought under the section 235 program, for defects in the house which should reasonably have been detected and recognized by a competent FHA appraisal. Attention was first brought to this problem through an investigation of the 235 program, which is being conducted by the Banking and Currency Committee. There has been evidence of serious abuses in this program. There are families who are now living in houses which have major defects, and yet were insured by the FHA. These families now stand alone as innocent victims of vicious speculators, and have no effective recourse.

It is hoped that this section will provide some means to make these home buyers whole again, and to encourage HUD and its Federal Housing Administration to scrutinize more closely, the quality of homes which are being insured under the 235 homeownership program.

There are also new provisions within the bill on section 235, leased housing, the rent certificate program.

The demand for this program, both for its use in the existing housing field and as a basis for new construction, have made certain adjustments necessary. I hope the decision of the conference committee in these particulars will prevail.

The rent certificate program was termed by one of the members of the majority serving on the conference committee as "the most worthwhile housing program that we have." I am grateful for his remarks.

For 5 years I have struggled to make this program successful, to gain for it an opportunity to show its worth. With the support of both the majority and the minority for measures proposed in the conference compromise, I hope this has finally been accomplished.

Mr. BARRETT. Mr. Speaker, would the gentleman yield to me for a question?

Mr. WIDNALL. Yes, I yield to the gentleman from Pennsylvania.

Mr. BARRETT. Is it not true that the Senate had \$750 million for operating subsidies for mass transit companies in their language and we cut this down to zero?

Mr. WIDNALL. It was eliminated completely by the conferees. There is where the House stood up completely against the operating subsidies that were going to be offered in the Senate bill.

Mr. JONAS. Mr. Speaker, will the gentleman yield to me?

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

Mr. JONAS. I asked the gentleman from Texas while he was in the well to explain to the House how many provisions are contained in this conference report that were not even considered in the House. My recollection is that the gentleman could not answer that question, but the gentleman from Pennsylvania (Mr. BARRETT) then stated that there were none.

Now my question—and I have only had access to this conference report since noon and I did not participate in the conference—it is a 35-page report and I am not sure whether I am correct or not—but as I casually review it now I can find at least three provisions in this conference report that I do not think were even considered in the House, one of which is a new program providing for the direct payment of rents.

Another one is permitting the use of residual receipts from the public housing program to make up operating deficits. I do not think that was considered, and I do not think the section dealing with demonstrations with respect to abandoned property was considered in the House. There may be some others as well.

Will the gentleman tell us whether there are some new programs inaugurated by this conference report that were not considered in the House?

Mr. PATMAN. Mr. Speaker, will the gentleman yield to me for a brief observation?

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

Mr. PATMAN. May I suggest to the gentleman from North Carolina that the gentleman is mistaken about not having that report available until noon today. It was in the RECORD at midnight the night before last and was available here today, yesterday, last night and this morning, and the gentleman had an opportunity to see it if the gentleman had wanted to see it.

Mr. JONAS. Mr. Speaker, if the gentleman from New Jersey will yield further, I say it was not available at the desk until today.

Mr. PATMAN. It was available in the CONGRESSIONAL RECORD for you to see and also at the desk.

Mr. JONAS. It was not available until today. I think the gentleman from Texas who was manager of the conference on the part of the House, should be able to tell us whether there are any new programs inaugurated in this conference report that the House did not consider. That is the issue and not when the report was available.

Am I correct that there are some new programs inaugurated in this conference report?

Mr. WIDNALL. The gentleman is correct. There are several changes that have been made in order to help in some very critical situations.

Mr. JONAS. Mr. Speaker, if the gentleman will yield further, I would like for some conferee to explain the new programs that are being inaugurated in this conference report that were not even considered when the bill was before the House.

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

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

Mr. BARRETT. There are no new programs in this conference report. There are improvements in the existing programs; namely, in the Brooke public housing amendments. That was in the Senate bill. That is in the statutory language with reference to an income eligibility for public housing tenants. We improved that for the benefit of the taxpayers. That is not a new program.

Mr. JONAS. May I say, with all due respect to my friend, that this is the first time I have heard of the Federal Government going into the direct payment of rent. This is a new program, a substantial variation from the rent supplement program, and the section 230 program; it is a brandnew one.

Mr. BARRETT. No; there is no direct payment of rent.

Mr. JONAS. I would like for the gentleman to explain section 504 as contained in the conference report wherein it says:

In carrying out activities under section 501, the Secretary shall undertake on an experimental basis a program to demonstrate the feasibility of providing families of low income with housing allowances to assist them in obtaining rental housing of their choice in existing standard housing units.

In other words, this is on an experimental basis, a program to demonstrate the feasibility of providing families of low income with housing allowances for the purpose of paying their rent.

Mr. WIDNALL. For the purpose of the RECORD, since I control the time, let the RECORD show that I have yielded to the gentleman for the question he just asked.

Mr. JONAS. I thank the gentleman.

Mr. WIDNALL. Mr. Speaker, this is something that we felt would be most helpful in connection with the program to have a complete demonstration of how it would operate, and how it would

affect the entire programs that are now in existence.

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

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

Mr. STANTON. Mr. Speaker, I appreciate the gentleman from New Jersey yielding. I would simply like to say to the Members of the House at this time that, as one of the conferees, there are several important points that should be pointed out. First of all, while the gentleman from Michigan is right in pointing out that we did reinsert title I, that was formerly stricken in the House action, I wish to point out at this time that this title I, which is title VII of the bill as it now exists, is far different from the original title as originally proposed by the gentleman from Ohio (Mr. ASHLEY), and I know the gentleman would agree with that, as far as administration is concerned, in the administration section, that it had set up a council of advisers to the White House with Presidential status—assistant status—has been stricken. What has been done, this advisory council is now within the Department of Housing and Urban Development itself, and in my understanding of it, I really cannot conceive of the Housing and Urban Development having much objection to this bill, because, as a conferee on our side of the aisle, when you have people of the caliber of Senator TOWER of Texas, Senator BENNETT of Utah, and Senator SPARKMAN of Alabama, and when I watch these gentlemen operate, first in the one-bank holding bill, then in this particular housing bill, and when these gentlemen fight to sustain their positions, I think that the House conferees, with the exception that it is true that on this particular point on giving way on this title, I think in general the conference report was perhaps the best we could get.

I would point out to the House one thing that I have observed in these conferences, and I make this observation primarily for the benefit of our chairman, when the subject of the public utilities question came up, in which the chairman of our committee participated vigorously, I say to the gentleman from Michigan that I want him to know that the minority Members of the House on our side of the aisle fought hard for this. The Senate fought very hard because of the backing of the two Senators from the State of Michigan, but there was capitulation entirely on the majority side of the House Members, and I wish to make that clear to the gentleman from Michigan.

Further than that, I will say that in the conferences that I have attended that the majority and the minority sides of the Senate conferees, when one Senator has a particular point that he wants to make, they forget about ideologies, or partisanship, and they stick by that.

So I have certainly learned a great deal in the last few conferences I have attended, and I have to second the gentleman from Oregon, that the House conferees certainly should make some greater effort on certain issues.

Again I appreciate the gentleman's yielding.

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

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

Mr. BARRETT. Mr. Speaker, I just want to point out to the House that there was no capitulation to the Senate on this conference report. We took to the conference a bill after we had cut \$4 billion out of the bill here in the House, and cut Senate recommendations by \$1.5 billion. There was certainly no capitulation to the Senate or anybody else. Economically, I think this bill is better than any housing bill we have brought back to the House.

Mr. WIDNALL. Mr. Speaker, I now yield to the gentleman from Pennsylvania (Mr. WILLIAMS).

Mr. WILLIAMS. I thank the gentleman for yielding.

Mr. Speaker, I want to say that I am extremely disappointed with this conference report. As I told the Members of the House when we were considering this bill, we have a crying need for homes in every city in this country and in many, many depressed rural areas.

You have already heard the chairman of the committee, the gentleman from Texas (Mr. PATMAN), state today that we have only been achieving 40 percent of our desirable goal for the construction of new housing units. I can tell you if we are going to waste our housing money on unproven theoretical proposals such as new community developments, we are going to be lucky to continue to have 40 percent of the new housing starts in this country that we need.

I think it is deplorable that we are now going to put money into this new community title—money that can so sorely be used elsewhere.

I have heard it stated on the floor of the House here this week that there are State treasuries that are in bad shape. I have also heard it said on the floor of the House this week that the school districts throughout the country are on the verge of bankruptcy.

You can take all the troubles of the State treasuries and the school districts and roll them together into one and they will not even come close to approaching the difficulty that the U.S. Treasury Department is experiencing today.

Our national debt is racing toward \$400 billion. The projection for the fiscal year 1973 in interest payments on our national debt was originally \$30 billion—and it is going to substantially exceed that. Now, we are taking money away from much needed housing to try this theoretical, unproven "new communities" program.

Mr. Speaker, I do not think our conference did a very good job when they not only accepted the Senate version on the title on new communities, but also put in the provisions of the title which this House rejected.

I also want to state I think we are making a serious mistake in permitting this backdoor spending, thereby completely circumventing the power of this House to go through the appropriation process. I really believe we could have come out of this thing with a much bet-

ter conference report which would have provided our cities and our depressed rural areas with the housing that they so sorely need today.

Mr. WIDNALL. Mr. Speaker, I yield to the gentleman from Ohio (Mr. STANTON).

Mr. STANTON. I appreciate the gentleman yielding once again.

Mr. Speaker, I would simply like to say to the gentleman from Pennsylvania that no one is charging any of these conferees with being particularly fiscally irresponsible.

I am sure that we would like to point out to the House that when we started—when our committee first brought the housing bill on the floor here it was well in excess of something over \$7 billion.

Second, when we passed it in the House, it was something like \$2.9 billion.

When we went into conference with the bill, the Senate had passed it with over \$4 billion.

We are back with a bill, as I understand it, that is slightly under \$2.9 billion.

I make that statement because I would like the RECORD to be clear in that particular.

Mr. WIDNALL. Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. WILLIAMS. Mr. Speaker, I would like to state, apparently, there is a discrepancy between the figures the gentleman from Ohio is using and the figures that the chairman, Mr. PATMAN, is using.

I understood the chairman to say that the bill we passed here in the House provided for an expenditure of \$2.4 billion and that eventually we settled for \$2.8 billion or an increase of \$400 million.

In addition to that, I would like to call to the attention of the gentleman from Ohio another fact and that is that the original bill reported to this House covered 2 additional fiscal years. That is how we got up to over \$5 billion in expenditures and it was this removal of the money for future fiscal years that cut down the total that is contained in this bill.

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

Mr. WIDNALL. I yield to the gentleman.

Mr. STANTON. I would simply like to clear the record on that—when you say it was over \$5 billion—we agreed on a bill up over \$7 billion.

Mr. WIDNALL. Mr. Speaker, I yield to the gentleman from North Carolina (Mr. FOUNTAIN).

Mr. FOUNTAIN. Mr. Speaker, I have after a number of years been becoming increasingly alarmed and I believe the American people have become seriously concerned over the extent to which the Congress of the United States and the executive agencies have delegated to private, oftentimes so-called nonprofit organizations, the power to spend the taxpayers' money.

I note in section 504(c) this language which I would like the gentleman to explain:

(c) The Secretary is authorized to construct with public or private organizations to provide the services required in the se-

lection of families of low income for the distribution of monthly housing allowance payments to such families. In contracting with such organizations, the Secretary is authorized (without limiting his authority under any other provision of law) to delegate to such organizations the authority to make the ministerial findings necessary to enable the Secretary to make such payments to families selected by such organizations.

Do I correctly construe that language to mean that the Secretary has the right and the power to select a group, any private organization, to determine who shall get these allowances, and that he in turn will make those payments? Is that the meaning of that section?

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

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

Mr. ASHLEY. I thank the gentleman. I think the language does mean that. There is precedent, I might say, because under present existing law, of course, the Secretary has authority to delegate to local public housing authorities which are not official city units of government. They are private organizations with certain specific powers. Local public housing authorities clearly have been delegated the authority to select tenants for public housing which is supported by the Federal Government.

Mr. FOUNTAIN. But do they not have a direct responsibility and obligation to the city officials, and in many instances do not elected public officials serve on those authorities?

Mr. ASHLEY. My impression is that this is true in some instances. It is greater where a public official serves on a local public housing authority. That is rare.

Mr. PATMAN. Mr. Speaker, may I suggest to the Members that we cannot possibly bring in a bill in which you could not pick out something that you would rather see changed. I do not think it is possible. But we are grasping for every opportunity to make housing available to the people. We talk about environmental quality. If there is anything that contributes more to environmental quality than a decent home, I do not know what it is. You must have a decent home to have good environmental quality. Of course, you must have food, clothing, and things like that for a family, but housing is essential.

We have brought in a bill for 1971-72 that will provide an estimated 3 million homes—3 million homes—and you talk about our having to do it in some other way. We have tried every other way. We will try more ways. We want more homes. We have at least 55 million families in this country, and they are increasing in number all the time. A number of those families are living in dilapidated houses. They are not good homes. You could not say that they are the type of homes that American families should live in. Some are even required to live in trailer camps, mobile homes of the cheapest type, in order to have some kind of makeshift home in which to live. We have brought in a bill that will provide 3 million decent homes—3 million decent homes—and if you want to vote against the measure, think a long time about what the people want. They want these homes.

This legislation makes provision to provide those homes.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

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

Mr. GERALD R. FORD. Earlier in our colloquy the gentleman from Texas indicated that one of the reasons why he fought so adamantly against the provision in the Senate version that would have really expedited the building of a great many homes by public utilities in many areas of the country was that it was subject to a point of order in the House version. I just happened to notice that section 910 of the conference report which the chairman of the committee brings back to us provides for the eligibility of American Samoa banks of the Federal Deposit Insurance Corporation.

On page 67 of the conference report it clearly indicates that this particular provision would have been subject to a point of order when the housing bill was before the House of Representatives. How do you reconcile the treating of one provision one way and the other provision another way?

Mr. PATMAN. I intend to stay on housing. I am not going off into tangents and talk about something that is impossible even to consider under the circumstances. Anybody who wants to bring that thing up at the proper time could have done so.

The gentleman has referred to utilities going into the housing business. They can go into the housing business through the partnership program.

But there is not much support for the utilities to go into the housing business in this way, so that if a family does not pay the housing rent to the utilities, they can have their lights cut off. That is a great deal of power.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I am not yielding until I answer the gentleman's question. He asked me a question and I am willing to answer it.

Mr. GERALD R. FORD. The gentleman has not answered it.

Mr. PATMAN. That question was passed on on its merits. There was no reason to propose an amendment to this bill that is clearly out of order, not germane under the rules. A point of order would be good against it. Why spend all this time? We have a bill here that will construct 3 million houses, and people are begging and pleading all the time for an opportunity to buy homes at reasonable prices and at reasonable interest rates. We are trying to make it possible.

Mr. GERALD R. FORD. Will the gentleman acknowledge that section 910 would have been subject to a point of order?

Mr. PATMAN. What is section 910? It is not germane to this discussion on housing.

Mr. GERALD R. FORD. Section 910 was not germane to the House bill.

Mr. PATMAN. The gentleman is talking about the Samoa Islands?

Mr. GERALD R. FORD. Yes.

Mr. PATMAN. Why did the gentleman not make a point of order on it?

Mr. GERALD R. FORD. It was not in the House version.

Mr. PATMAN. The Senate insisted on it. I do not see anything wrong with it myself in principle.

Mr. GERALD R. FORD. One of the arguments the gentleman made against certain public utilities building housing in Detroit and all over the country was that the provision was not germane to the House version.

Mr. PATMAN. It was.

Mr. GERALD R. FORD. And here he capitulates and lets another provision get into the bill that also is not germane.

Mr. PATMAN. The gentleman is clear off base. He is usually on solid ground, and sane and stable in his convictions, but he is talking about something different now. The Public Utilities Act of 1935 is a respected act. It is respected by the Congress. Why would anybody propose to try to put an amendment in the Public Utilities Act of 1935 into a housing bill that is administered by HUD? That is what I cannot understand.

Mr. GERALD R. FORD. Would the gentleman yield on that point?

Mr. PATMAN. I do not think the gentleman can help his prestige. He has a great deal of prestige, and I think he is a wonderful leader, but I do not want him to minimize his importance and his prestige by insisting upon something like that.

That is going too far.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

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

Mr. GERALD R. FORD. I am surprised that the distinguished chairman would criticize two very fine Senators, one a Democrat and one a Republican, who jointly sponsored the amendment which was approved by the U.S. Senate. I am surprised at the attitude of the distinguished gentleman, the chairman.

Mr. PATMAN. May I suggest, Mr. Speaker, we should be glad of the opportunity to vote for a bill that will provide more housing for the American people. They need housing and they need it now, and we should not quibble further on it. We should vote for this bill. I ask for a vote, Mr. Speaker.

Mr. MOORHEAD. Mr. Speaker, I rise in support of the conference report on H.R. 19436, the Housing Act of 1970. The members of my committee, who were the conferees on this bill, put in much time and effort and as usual, they have reported a fine piece of legislation which I will vote for.

However, I must make note of section 911 of the report which stems from a provision that I added to the legislation when it was still being debated in the subcommittee.

Section 911 of the report says:

The Administration may, in consultation with the Secretary of Housing and Urban Development and upon such terms and conditions as it may prescribe, guarantee and enter into commitments to guarantee any surety against loss, as hereinafter provided, as the result of the breach of the terms of a bid bond, payment bond, or performance

bond by a principal on any contract up to \$500,000 in amount, subject to the following conditions.

When I first introduced the bill, I sought to answer the need of small contractors who have great difficulty securing surety bonds from insurance companies. A contractor must have a surety bond before he can work on anything but the most insignificant jobs. Insurance companies for their own reasons have set up surety standards that have excluded small and minority contractors from getting these vital guarantees.

My original bill directed the Secretary of Housing and Urban Development, and I quote, to "provide or guarantee any bid payment or performance bond applied for, by or on behalf of a construction contractor or subcontractor." Obviously, this would apply only to small contractors who have been denied bonds in the marketplace.

The important element in this language, and the element which the conferees left out when they put a hybrid bonding provision in the conference legislation, is the word "provide."

By allowing the Secretary of Housing and Urban Development to provide bonds, in addition to guaranteeing them, my original language gave the Secretary added ammunition to administer the program. And it also gave him a recourse should the insurance industry, which must provide the bonds, refuse to provide bonds in return for only a 90-percent guarantee.

When the American Insurance Association testified before our Housing Subcommittee, their representative expressed the hope that their services would be guaranteed to a total of 100 percent of any potential losses, plus a service expense.

Our good chairman, the very able gentleman from Philadelphia, noted what he felt was an unwillingness to accept a mutual underwriting of any losses. These days, the insurance industry does not seem to be interested in anything but sure things, with a little extra gravy thrown on top.

There are arguments to be made for a 100-percent guarantee, especially if this guarantee produces bonds for almost all who qualify.

But there are stronger arguments to be made for giving the agency administering the bond program the power to write bonds on its own, should contractors meet closed doors at surety offices.

I hope the joint HUD-SBA effort, called for in the report, succeeds in making bonds available to those contractors who need them. But I have my reservations.

For this reason, although I will lend every effort to this new bonding program, next spring I plan to introduce a bill identical to the language that was included in our housing bill but which did not survive conference.

Mr. RYAN. Mr. Speaker, the conference report on H.R. 19436, the Housing and Urban Development Act of 1970, is a good bill. It is a bill carefully worked out by the House and Senate conferees. I do not want to detail all the provisions of

the bill as reported out of conference, but I should like to make particular reference to section 118, because this section embodies my bill H.R. 49—companion bill H.R. 4308.

Section 118 makes pre-1968 State and locally financed limited-profit housing projects eligible for section 236 rental assistance and for rent supplements. It builds on previous law which, due to the adoption of a previous bill of mine, already makes post-1968 projects eligible for section 236 rental assistance and for rent supplements.

Section 118 is of particular importance to New York State and to New York City, because the State and city Mitchell-Lama programs fall within its ambit. But the provision is also helpful to similar programs in several other States, as evidenced by the communications and testimony I have received from housing officials of six States registering support for this provision.

I am particularly gratified that section 118 was retained by the House and Senate conferees. I know of their deep concern for the housing needs of all Americans. I personally know that the inclusion of section 118 is evidence of the particular concern of our distinguished and able colleagues, the gentleman from Pennsylvania (Mr. BARRETT) the gentleman from Ohio (Mr. ASHLEY), who sat as conferees on H.R. 19436.

I also want to commend my distinguished colleague from New York (Mr. HALPERN), who sits on the Subcommittee on Housing of the House Banking and Currency Committee. While not a conferee on H.R. 19436, I can attest to his diligence in working to insure that section 118, as well as other provisions of particular significance to large cities such as New York, were retained. Our distinguished colleague from Wisconsin (Mr. REUSS) also played a significant role.

Credit is also due the senior Senator from New York (Mr. JAVITS), New York State Senator Manfred Ohrenstein, and the distinguished Governor of New York Nelson Rockefeller for their efforts.

The junior Senator from New York (Mr. GOODELL), also deserves special credit for his work in assuring progressive, imaginative housing legislation. Not only did he work to obtain legislation to allow Federal subsidies for dormitory-type housing, in order to help meet the desperate plight of thousands of single people presently housed in decaying SRO's—single room occupancy dwellings—an endeavor also particularly pushed by our distinguished colleague from Pennsylvania (Mr. MOORHEAD); but, in addition, he succeeded in having adopted an amendment to the Senate version of the Housing and Urban Development Act of 1970—an amendment retained in the final version of the bill coming out of conference which authorizes \$20 million in grants for demonstration projects to deal with the severe problem of abandoned housing which afflict our major cities. Senator GOODELL has made a real contribution to the housing field in his capacity as a member of the Senate Banking and Currency Committee.

Section 118—which, as explained in the conference report, will make pre-1968 Mitchell-Lamas under temporary financing eligible for section 236 subsidies and for rent supplements—is not going to work a miracle in housing in New York City. The problems there are so manifold, so extreme, that it can offer only some relief. But relief—to any degree—is essential. I support the conference report on the Housing and Urban Development Act of 1970, and I strongly urge its passage.

Mr. KOCH. Mr. Speaker, I will vote for the housing bill because it is the best one that we can get at this time. But it is not good enough, and none of us in this House should believe that we are meeting the housing crisis in this country with the passage of this bill. The distinguished chairman of the committee, WRIGHT PATMAN, told us that so far we have failed miserably the promise we made to the American people in the passage of the Housing Act of 1968. In that bill Congress promised that it would provide the moneys needed to construct 26 million housing units within a 10-year period. Chairman PATMAN told us this afternoon, and we all know it to be true, that we are currently meeting only 40 percent of our promise.

I am also disappointed by another aspect of this bill—and that is the deletion by the conference committee of the Federal operating subsidy for mass transit added by the Senate. I am surprised that the committee's distinguished ranking minority member from New Jersey (Mr. WIDNALL) took the floor to congratulate the House Members of the conference committee for their success in removing the \$750 million 3-year authorization for a mass transit operating subsidy. This very week this House gave final approval to a bill which extended the highway program an additional 4 years and authorized some \$17 billion for expenditure during this time period. I believe that our colleagues in the Senate should be congratulated for having included mass transit operating subsidies in their bill, and I will work in this House to secure support for such funds next year.

I am voting for H.R. 19436 because it will provide some moneys for housing. This Congress must keep its promise to provide decent housing at reasonable rentals for the people of this country. And, we must provide construction funds and operating subsidies for our mass transit systems which are so inadequate and desperately needed in the metropolitan areas of the country. The Congress authorizes subsidies for farmers, highway users, shipping and oil interests, and numerous industries, but then it is so sparing when it comes to the needs of the average city dweller. There must be a change in our priorities. Congress made a promise to the cities of this country to provide adequate and decent housing. Let us keep this promise.

Mr. PATMAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken, and the

Speaker announced that the ayes appeared to have it.

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

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

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

The question was taken; and there were—yeas 168, nays 104, not voting 161, as follows:

[Roll No. 432]

YEAS—168

Adams	Hanley	O'Neill, Mass.
Albert	Hanna	Patman
Alexander	Hansen, Wash.	Patten
Anderson,	Harvey	Pepper
Calif.	Hathaway	Perkins
Ashley	Hawkins	Pickle
Barrett	Hechler, W. Va.	Price, N.C.
Bevill	Heckler, Mass.	Price, Ill.
Biester	Helstoski	Pryor, Ark.
Bingham	Hicks	Quie
Blanton	Hollifield	Rallsback
Blatnik	Horton	Randall
Boggs	Howard	Rees
Boland	Hungate	Reuss
Bolling	Ichord	Robison
Brademas	Jacobs	Rodino
Broomfield	Johnson, Calif.	Roe
Broyhill, N.C.	Johnson, Pa.	Rogers, Colo.
Burke, Mass.	Jones, Ala.	Rogers, Fla.
Burlison, Mo.	Jones, Tenn.	Rooney, N.Y.
Burton, Calif.	Karth	Rooney, Pa.
Carey	Kastenmeyer	Rosenthal
Carney	Kazen	Roybal
Casey	Keith	Ryan
Clark	Koch	Scheuer
Cohelan	Kyros	Schwengel
Conte	Latta	Shriver
Conyers	Leggett	Sisk
Corman	Long, Md.	Slack
Culver	McCarthy	Smith, Iowa
Daniels, N.J.	McCloskey	Smith, N.Y.
de la Garza	McDade	Stafford
Dellenback	McDonald,	Stanton
Downing	Mich.	Steed
Dulski	McFall	Steele
Eckhardt	Macdonald,	Steiger, Wis.
Eilberg	Mass.	Stokes
Evans, Colo.	Madden	Stratton
Fascell	Mahon	Stuckey
Feighan	Mailliard	Taylor
Flood	Mann	Teague, Tex.
Foley	Mathias	Thomson, Wis.
Ford,	Melcher	Tierman
William D.	Miller, Calif.	Tunney
Forsythe	Minish	Ullman
Fraser	Mink	Van Deerlin
Fulton, Pa.	Mizell	Vander Jagt
Fuqua	Mollohan	Vanik
Galfanakis	Monagan	Vigorito
Gallagher	Moorhead	Wampler
Garmatz	Morse	White
Gettys	Mosher	Widnall
Gialmo	Natcher	Wilson,
Gonzalez	Nedzi	Charles H.
Gray	Nix	Wyatt
Green, Oreg.	Obey	Yates
Gude	O'Hara	Zablocki
Hamilton	Olsen	

NAYS—104

Abernethy	Cederberg	Fountain
Anderson, Ill.	Chamberlain	Frelinghuysen
Andrews, Ala.	Chappell	Frey
Arends	Collier	Gooding
Baring	Collins, Tex.	Griffin
Belcher	Colmer	Gross
Bennett	Conable	Hall
Berry	Crane	Hammer-
Betts	Daniel, Va.	schmidt
Bow	Davis, Wis.	Hansen, Idaho
Brinkley	Dennis	Harsha
Brotzman	Dickinson	Hogan
Brown, Ohio	Dorn	Hosmer
Broyhill, Va.	Duncan	Hunt
Buchanan	Edwards, Ala.	Hutchinson
Burleson, Tex.	Erlenborn	Jonas
Bush	Findley	King
Byrnes, Wis.	Fisher	Kyl
Cabell	Flowers	Landgrebe
Caffery	Flynt	Lennon
Carter	Ford, Gerald R.	Lloyd

McClure
McEwen
Marsh
Mayne
Miller, Ohio
Mills
Minshall
Myers
Nelsen
Nichols
Passman
Poage
Poff
Rarick

Reid, Ill.
Rhodes
Roberts
Rousselot
Ruth
Satterfield
Saylor
Schadeberg
Schmitz
Schneebell
Scott
Skubitz
Smith, Calif.
Springer

Stelger, Ariz.
Stubblefield
Talcott
Teague, Calif.
Thompson, Ga.
Waggonner
Ware
Watts
Whitten
Wiggins
Williams
Wilson, Bob
Wold
Wyman

NOT VOTING—161

Abbutt
Adair
Addabbo
Anderson,
Tenn.
Andrews,
N. Dak.
Annunzio
Ashbrook
Aspinall
Ayres
Beall, Md.
Bell, Calif.
Blaggi
Blackburn
Brasco
Bray
Brook
Brooks
Brown, Calif.
Brown, Mich.
Burke, Fla.
Burton, Utah
Button
Byrne, Pa.
Camp
Celler
Chisholm
Clancy
Clausen,
Don H.
Clawson, Del
Clay
Cleveland
Collins, Ill.
Corbett
Coughlin
Cowger
Cramer
Cunningham
Daddario
Davis, Ga.
Delaney
Denney
Dent
Derwinski
Devine
Diggs
Dingell
Donohue
Dowdy
Dwyer
Edmondson
Edwards, Calif.
Edwards, La.

Esch
Eshleman
Evins, Tenn.
Fallon
Farbstein
Fish
Foreman
Friedel
Fulton, Tenn.
Gaydos
Gibbons
Gilbert
Goldwater
Green, Pa.
Griffiths
Grover
Gubser
Hagan
Haley
Halpern
Harrington
Hastings
Hays
Hébert
Henderson
Hull
Jarman
Jones, N.C.
Kee
Kleppe
Kluczynski
Kuykendall
Landrum
Langen
Long, La.
Lowenstein
Lujan
Lukens
McClory
McCulloch
McKneally
McMillan
MacGregor
Martin
Matsunaga
May
Meeds
Meskill
Michel
Mikva
Mize
Montgomery
Morgan
Morton
Moss

Murphy, Ill.
Murphy, N.Y.
O'Konski
O'Neal, Ga.
Ottinger
Pelly
Pettis
Philbin
Pike
Pirnie
Podell
Pollock
Powell
Price, Tex.
Pucinski
Purcell
Quillen
Reid, N.Y.
Reifel
Riegler
Rivers
Rostenkowski
Roth
Roudebush
Ruppe
St Germain
Sandman
Scherle
Sebelius
Shipley
Sikes
Snyder
Staggers
Stephens
Sullivan
Symington
Taft
Thompson, N.J.
Udall
Waldie
Watson
Weicker
Whalen
Whalley
Whitehurst
Winn
Wolff
Wright
Wydler
Wylie
Yatron
Young
Zion
Zwach

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Corbett for, with Mr. Denney against.
Mrs. Dwyer for, with Mr. Bray against.
Mr. Addabbo for, with Mr. Ashbrook against.
Mr. Halpern for, with Mr. Blackburn against.
Mr. Coughlin for, with Mr. Scherle against.
Mr. Celler for, with Mr. Goldwater against.
Mr. Dent for, with Mr. Watson against.
Mr. Fish for, with Mr. Snyder against.
Mr. Thompson of New Jersey for, with Mr. Price of Texas against.
Mr. Wolff for, with Mr. Martin against.
Mr. Green of Pennsylvania for, with Mr. McClory against.
Mr. Pirnie for, with Mr. Kleppe against.
Mr. Annunzio for, with Mr. Morton against.
Mr. Kluczynski for, with Mr. Andrews of North Dakota against.
Mr. Reid of New York for, with Mr. Adair against.

Mr. Matsunaga for, with Mr. Camp against.
Mr. Morgan for, with Mr. Devine against.
Mr. Whalen for, with Mr. Zion against.
Mr. Riegler for, with Mr. Lukens against.
Mr. Blaggi for, with Mr. Henderson against.
Mr. Dingell for, with Mr. Quillen against.
Mr. Sandman for, with Mr. Wylie against.
Mr. Murphy of New York for, with Mr. Derwinski against.

Mr. Podell for, with Mr. Jones of North Carolina against.
Mr. Donohue for, with Mr. O'Neal of Georgia against.

Mr. Brasco for, with Mr. Cramer against.
Mr. Hays for, with Mr. Cunningham against.

Mr. Rostenkowski for, with Mr. Hagan against.

Mrs. Sullivan for, with Mr. Montgomery against.

Mr. Delaney for, with Mr. Hastings against.
Mr. Byrne of Pennsylvania for, with Mr. Abbutt against.

Mr. Evins of Tennessee for, with Mr. Burke of Florida against.

Mr. Edmondson for, with Mr. Dowdy against.

Mrs. Griffiths for, with Mr. Haley against.

Mr. Moss for, with Mr. McMillan against.
Mr. Harrington for, with Mr. Jarman against.

Mr. Fulton of Tennessee for, with Mr. Sikes against.

Mr. Kee for, with Mr. Rivers against.

Mrs. Chisholm for, with Mr. Stephens against.

Mr. Meeds for, with Mr. Michel against.

Mr. Pucinski for, with Mrs. May against.
Mr. St Germain for, with Mr. Mize against.
Mr. Shipley for, with Mr. Del Clawson against.

Until further notice:

Mr. Anderson of Tennessee with Mr. Ayres.
Mr. Hull with Mr. Clancy.
Mr. Aspinall with Mr. Esch.
Mr. Farbstein with Mr. Bell of California.
Mr. Long of Louisiana with Mr. Cowger.
Mr. Gaydos with Mr. Clay.
Mr. Edwards of Louisiana with Mr. Brock.
Mr. Landrum with Mr. Don H. Clausen.
Mr. Waldie with Mr. Button.
Mr. Brooks with Mr. Beall of Maryland.
Mr. Lowenstein with Mr. Collins of Illinois.
Mr. Udall with Mr. Burton of Utah.
Mr. Davis of Georgia with Mr. Cleveland.
Mr. Mikva with Mr. Diggs.
Mr. Edwards of California with Mr. Eshleman.

Mr. Philbin with Mr. Foreman.
Mr. Pike with Mr. Grover.
Mr. Purcell with Mr. Gubser.

Mr. Fallon with Mr. Kuykendall.
Mr. Friedel with Mr. Langen.

Mr. Gilbert with Mr. McCulloch.
Mr. Staggers with Mr. O'Konski.
Mr. Gibbons with Mr. McKneally.

Mr. Hébert with Mr. Pelly.
Mr. Brown of California with Mr. MacGregor.

Mr. Daddario with Mr. Pettis.
Mr. Murphy of Illinois with Mr. Pollock.

Mr. Ottinger with Mr. Reifel.
Mr. Symington with Mr. Roth.
Mr. Wright with Mr. Roudebush.

Mr. Yatron with Mr. Sebelius.
Mr. Young with Mr. Taft.
Mr. Winn with Mr. Ruppe.

Mr. Wydler with Mr. Weicker.
Mr. Zwach with Mr. Whalley.
Mr. Meskill with Mr. Whitehurst.

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

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report on H.R. 19436 just agreed to.

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

There was no objection.

CONFERENCE REPORT ON H.R. 380, TO REPEAL SECTION 7 OF THE ACT OF AUGUST 9, 1946 (60 STAT. 968)

Mr. TAYLOR. Mr. Speaker, I call up the conference report on the bill (H.R. 380) to repeal section 7 of the act of August 9, 1946 (60 Stat. 968), and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 18, 1970.)

Mr. TAYLOR. Mr. Speaker, I yield to the gentleman from Pennsylvania (Mr. SAYLOR), one of the conferees, to explain the conference report.

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

This conference report adopts only amendments which are germane to the bill. The language agreed upon incorporates the substance of the Senate amendment, but revises the language to:

First, delete an open ended appropriation authorization to buy land within the reservation;

Second, delete an open ended authority for the Secretary to reopen probate cases after they are closed;

Third, give the tribe title to the land for which it pays; and

Fourth, remove an internal conflict in the language used.

Mr. Speaker, I urge that the conference report be agreed to.

Mr. TAYLOR. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

RETIREMENT FOR FEDERAL FIRE-FIGHTING PERSONNEL

Mr. O'NEILL of Massachusetts. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1310 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 578) to include firefighters within the provisions of section 8336(c) of title 5, United States Code,

relating to the retirement of Government employees engaged in certain hazardous occupations. After general debate, which shall be confined to the bill and shall continue not to exceed one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

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

Mr. Speaker, House Resolution 1310 provides an open rule with 1 hour of general debate for consideration of S. 578 to provide preferential retirement for Federal firefighting personnel.

The purpose of S. 578 is to extend to Federal firefighter personnel the same preferential retirement treatment accorded Federal law enforcement personnel under the hazardous duty provisions of the civil service retirement system.

Federal law enforcement personnel may retire at the age of 50 after 20 years service at the rate of 2 percent of the employee's high 3-year average salary multiplied by his years of service. There are approximately 11,000 Federal firemen whose duties entail exposure to hazards more perilous than those to which law enforcement personnel are subjected. They are required to work a 72-hour week for 52 weeks a year, minus leave, including Sundays and holidays.

Extension of the preferential retirement benefits to the firefighting personnel will facilitate the maintenance of relatively younger and more vigorous forces.

It is estimated that enactment of the legislation will increase the unfunded liability of the civil service retirement fund by approximately \$176 million to be amortized by an annual appropriation of \$9.25 million in each of the next 30 years.

Mr. Speaker, I urge the adoption of the rule.

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

Mr. Speaker, the gentleman from Massachusetts has explained House Resolution 1310, which does provide for 1 hour of debate under an open rule for consideration of S. 578, a bill entitled "Retirement for Federal Firefighting Personnel."

Mr. Speaker, I think this is a very bad bill.

In addition to what the gentleman from Massachusetts (Mr. O'NEILL) stated, I should like to add that the estimated cost of the legislation, as made by the Civil Service Commission, is an increase of \$176 million in the unfunded liability of the retirement fund. This would be amortized by an annual appropriation of \$9,250,000 for a period of 30 years.

The bill is opposed by the Civil Service Commission, the Office of Management and Budget, and the Department of Defense, which employs most of the employees affected by this bill.

About 10 days ago, Mr. Speaker, Mr. Robert E. Hampton, Chairman of the U.S. Civil Service Commission, called me on the telephone and stated he had heard the bill was going to be before the Rules Committee and he was very much opposed to it. I asked him if he would write me a letter explaining his opposition, which he did.

I should like to read that letter to the Members now:

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., December 11, 1970.

HON. H. ALLEN SMITH,
Committee on Rules,
House of Representatives.

DEAR MR. SMITH: I am informed that the Rules Committee has scheduled a hearing on the bill S. 578, "To include firefighters within the provisions of section 8336(c) of title 5, United States Code, relating to the retirement of Government employees engaged in certain hazardous occupations."

This bill, if enacted, would accord more liberal civil service retirement rights and benefits to over 12,000 Federal firefighters than are now provided for Federal employees generally, including thousands of employees who are in lines of work that are equally and often much more hazardous than firefighting.

My purpose in writing to you now is to let you know that the Civil Service Commission, which administers the Civil Service Retirement System (as well as the Department of Defense, which employs most of the firefighters the bill would benefit), is very strongly opposed to enactment of S. 578 and, if it is enacted, would recommend to the President that it be vetoed.

Briefly, the Commission opposes enactment of S. 578 because:

It would establish a bad and costly precedent with respect to many other occupations, e.g., customs inspectors, marine officers, immigrant inspectors, aircraft pilots, and internal revenue agents, among numerous other groups employed by the Government.

The hazard entailed in firefighters' work is compensated for by higher pay, which in turn produces a larger retirement benefit. Hazardous duties should not be compensated for through the retirement system.

There is no demonstrated need for permitting Federal firefighters to retire at an earlier than normal age, as S. 578 would do. The Department of Defense has explained that there is a lower incidence and lesser severity in fires at Federal installations than in cities and that early retirement is not essential in maintaining effective Federal fire departments.

S. 578, if enacted, would impose an additional burden on taxpayers of over \$9 million dollars a year for each of the next 30 years—a total of over \$275 million.

I hope the Rules Committee will consider the Commission's position on S. 578 in its deliberations.

Sincerely yours,

ROBERT E. HAMPTON,
Chairman.

Mr. Speaker, I am opposed to the bill. I reserve the remainder of my time. I do not have any requests for time.

Mr. O'NEILL of Massachusetts. Mr. Speaker, in reply to the gentleman may I say that according to the report there are approximately 11,000 Federal firemen whose duties entail exposure to hazards more perilous than present in other oc-

cupations. They are required to work a 72-hour week. We are merely trying to put them into the same category as other people who do such perilous work.

Mr. Speaker, I have no requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. DULSKI. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 578) to include firefighters within the provisions of section 8336(c) of title 5, United States Code, relating to the retirement of Government employees engaged in certain hazardous occupations.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 578, with Mr. BURKE of Massachusetts in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from New York (Mr. DULSKI) will be recognized for 30 minutes, and the gentleman from Maryland (Mr. HOGAN) will be recognized for 30 minutes.

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

Mr. DULSKI. Mr. Chairman, I yield myself as much time as I may consume.

Mr. Chairman, I rise in support of S. 578.

The purpose of this bill is to extend to Federal firefighters the same retirement treatment accorded other Federal personnel engaged in hazardous duty.

For more than 20 years, the civil service retirement law has provided that certain Federal employees whose duties involve hazardous conditions may retire after age 50 and after having served a minimum of 20 years in such duty. Historically the law recognized hazardous occupations as only those in the criminal law enforcement segment of the Federal work force.

However, a review of the hearings before our Retirement Subcommittee revealed that the work of Federal firefighters is often more hazardous than that of persons engaged in enforcing the Federal criminal laws.

Certainly, under these circumstances, the legislation under consideration today not only is justified, but will correct an inequity of more than 20 years.

The necessity for enactment of this bill is also evidenced by the fact that it was reported unanimously by our committee, 17 Members being present.

I sponsored a similar bill, H.R. 422, on January 3, 1969.

I wish to commend the chairman of our Retirement Subcommittee, the distinguished gentleman from New Jersey (Mr. DANIELS), and his colleagues on the subcommittee, for the outstanding work they performed in bringing this legislation to the floor today.

The bill amends section 8336(c) by in-

serting the language relating to firefighters after the words "United States." Such words appear in both the first and second sentence of section 8336(c).

The purpose of this legislation will be accomplished by the addition of the appropriate language in the first sentence only. No purpose is served by adding the language to the second sentence, nor does the addition of the language to the second sentence change the meaning or application thereof in any significant manner.

Mr. Chairman, I urge adoption of the bill, and I yield now to the chairman of the Subcommittee on Retirement, the gentleman from New Jersey (Mr. DANIELS), such time as he may use.

Mr. DANIELS of New Jersey. Mr. Chairman, I support S. 578, the purpose of which is to amend the first sentence of section 8336(c) of title 5, United States Code, to extend to Federal firefighter personnel the same preferential retirement treatment accorded Federal law-enforcement personnel under the hazardous duty provisions of the civil service retirement system.

This provision, upon initial enactment, was limited in application to agents and similar employees of the Federal Bureau of Investigation, but subsequently extended to other Federal employees engaged in positions whose duties involve the investigation, apprehension, or detention of persons suspected or convicted of offenses against the criminal laws of the United States. Such employees may elect to retire after having reached the age of 50 and after having served for at least 20 years in such capacity. Retirement in each instance must be recommended by the head of the employing agency and approved by the Civil Service Commission. This preferential treatment is accorded these classes of employees on the basis that law enforcement activity requires a staff of active, physically capable men, and to encourage young men to enter and remain in Federal law enforcement work and older men to leave it at an earlier age.

Recently published data with respect to fire losses involving Federal property, contained in the Federal Fire Council's report for the fiscal year 1967, discloses that in over 22,000 fires the U.S. Government suffered property losses of approximately \$266 million, exclusive of that sustained in combat operations in Southeast Asia. Injuries incurred in those 22,000 incidents exceeded 1,700, and deaths totaled 354. The Council's report covering fiscal year 1968 reveals that 376 persons died and 2,232 were injured because of fires, and that property losses so incurred amounted to almost \$300 million. These figures, I believe, are indicative of the magnitude of responsibility and risk undertaken by civilian employees of the Federal firefighting services.

As indicated by the committee report, it is the judgment of the Committee on Post Office and Civil Service that Federal firemen are subjected, on many occasions, to circumstances of a more hazardous nature than those engaged in law enforcement activity. The same safeguards applied to law enforcement personnel

will be applicable to firefighters; that is, in recommending and approving an applicant's request for early retirement, both the agency and the Civil Service Commission will be required to give full consideration to the degree of hazard to which he is subjected in the performance of his particular duties, in contrast to the general duties of the class of position occupied. A Federal fireman who had not in fact been exposed to hazards over a 20-year period would not be entitled to the preferential consideration proposed by the bill.

By enacting S. 578, Congress will recognize the value of services rendered the Federal Government and the relative equities of civilian firefighting personnel as Congress has so recognized with respect to law enforcement personnel. Enactment of this legislation, I believe, will also facilitate the maintenance of relatively younger and more vigorous firefighting forces throughout the Federal Establishment.

Mr. Chairman, I urge the House's wholehearted support of this remedial legislation.

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

Mr. Chairman, I would like to associate myself with the remarks of the distinguished chairman of the subcommittee and the distinguished chairman of the full committee. I agree that this legislation would correct an inequity.

Mr. Chairman, I rise in support of S. 578, to extend to Federal firefighters the same preferential retirement treatment now accorded Federal law enforcement personnel under the hazardous duty provisions of the civil service retirement system.

Federal firefighters, for the first time, would be eligible for full retirement after attaining age 50 with 20 years of service. The annuity would be computed at the rate of 2 percent of the employee's high 3-year average salary multiplied by his total years of service.

The same criteria used to justify preferential treatment to law enforcement personnel will, under this legislation, be applied to Federal firefighters as it should. Firefighting requires a staff of active, vigorous, and physically capable men. We also need this legislation to provide an incentive to encourage younger men to enter and remain in Federal service, and older men to leave it at an early age.

The occupation of firefighting is one of the most hazardous in the world. The fact that the firefighters' fatality rate is 275 percent greater than the rate for the overall work force certainly substantiates this statement. Although this survey is 2 years old, the new one for 1969 is in the process of being completed. This survey shows that firefighters suffer 92 deaths per year per 100,000 firefighters.

Federal firefighters are required daily to handle chemicals and radioactive materials. Nuclear materials are becoming commonplace at numerous Federal installations and in the event of a nuclear accident, the Federal firefighter is the first one called upon to respond.

Firefighters perform their duties dur-

ing emergency situations, all times of the day and night, exposed to extreme heat and cold. This type of duty is often heavy, performed in extreme high temperatures. Noted physicians say that this is a burden on the cardiovascular system. The pulse rate increases and the stroke volume of the heart decreases.

Federal firemen also perform much of their duties in the extreme cold. Authorities, in their research, have found that this may produce persistent hypertension. A firefighter is exposed to carbon dioxide and other poisonous gases, which unquestionably do damage to the heart and vascular system.

At a nearby Federal installation, in a 5-year period, 10 percent of the firefighting force was lost because of heart ailments—the average age of these men was only 44 years.

I would like to point out that the U.S. Civil Service Form 8, entitled "Position Description" states that a Federal firefighter is expected to perform his duties with utmost proficiency in the face of personal danger. Clearly, this position falls within the category of a hazardous duty occupation.

As a former Federal law enforcement officer myself, I feel that firefighting is as dangerous as any of the other occupations now covered under the 20-year, age 50 retirement.

For the record, the Federal Agency employees now receiving hazardous duty retirement benefits are as follows: Federal Bureau of Investigation; Secret Service; U.S. marshals; Department of Correction, District of Columbia government; U.S. prison guards; Border Patrol; Fish and Wildlife Service; Headquarters of Special Investigation, Air Force; Headquarters of Special Investigation, Army; Headquarters of Special Investigation, Navy; U.S. Board of Parole; U.S. Custom Service; I.R.S. agents and investigators; and Immigration and Naturalization Service.

I have in my district a number of military installations. One is the Naval Ordnance Laboratory at Indian Head, Md. I do not know of any place in the world more hazardous than that facility, where they actually make propellants, rockets, torpedoes, and other things, and the firefighters there have an unbelievably difficult and hazardous job.

Mr. Chairman, this is certainly good legislation which would correct an inequity. I urge my colleagues to join me in approving it.

Mr. DULSKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, I thank the distinguished gentleman for yielding me this time.

I would like to say that I strongly support this legislation, and commend the chairman and the Members of the House for coming in at this very difficult period of time to emphasize the importance of the legislation on the floor of the House, which is being considered and passed this afternoon.

Again I commend this committee, and I want to thank them for recognizing the need of this legislation.

Mr. DULSKI. Mr. Chairman, I yield

such time as he may consume to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, I thank the distinguished gentleman for yielding, and I rise in support of S. 578, which will extend to Federal firefighter personnel the same preferential retirement treatment accorded Federal law enforcement personnel.

I concur in the opinion of the committee that this legislation will facilitate the maintenance of a relatively younger and more vigorous firefighting force throughout the Federal Establishment. The heavy responsibility which our firefighting forces shoulder dramatically illustrates the need for a young and vigorous force.

Further, and more important, our firefighting forces often have their own lives placed in great jeopardy. They suffer a ratio of injuries and deaths far higher than other Federal civil employees. And the ability of the average man to overcome and to avoid the hazards involved in firefighting naturally decreases as he grows older. This bill is a move to protect and to save lives.

I do not believe that we are opening the floodgates to a hodgepodge of separate retirement systems. Rather, I believe we are pointing the way to a more equitable and more just retirement system.

The nine and a quarter million dollars which this program will cost per year is a small price to pay for the lives it will protect and for the improvement in our firefighting forces it will foster.

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

Mr. HOGAN. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT. Mr. Chairman, I hesitate to oppose any Federal employee legislation and as the ranking minority member of the Subcommittee on Retirement which considered this bill especially regret having to oppose it. I believe it is a bad bill. Many Federal employees live in my district and I have sponsored a measure that would permit retirement of all Government employees after 30 years of service, regardless of age. This seems to me to be the better approach. In other words the question of retirement should generally relate to all employees rather than to pick out particular segments of employees for the purpose of enacting special legislation.

We are told by the Civil Service Commission that this bill will add \$176.2 million to the unfunded liability of the civil service retirement and disability fund.

Our committee and this House in the past year have tried to strengthen the civil service retirement fund. I believe we have done a good job in working toward that end, and I hate to see us pick out particular branches of Federal employees for special legislation which will add an additional burden to the financing of Federal retirement.

Unfortunately, this fragmentation of Government employees started some time ago with the FBI agents and it has spread, as the gentleman from Maryland (Mr. HOGAN) indicated a few minutes ago to various segments of employees.

With regard to firefighters, I am told

there are less fatalities with the Federal firefighters than firefighters in general. We have on page 54 of the hearings before our subcommittee, a statement by the Department of Defense indicating that it employs 12,000 firefighters and in the past 5 years there have only been three fatalities out of these 12,000 firefighter employees.

Just a few days ago someone from the Federal Aviation Agency came to my office and indicated support for similar legislation for the air traffic controllers.

I do not know where this type of legislation will end if we start picking out these special people. Will we also include customs inspectors, as has been suggested? Where will it end? In my opinion we should approach the question of retirement from the viewpoint of all Federal employees through general legislation. I believe this is a bad bill and urge that it not be approved by this House.

At the appropriate time, Mr. Chairman, I will offer a motion to recommit the legislation.

Mr. HOGAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia (Mr. BROYHILL).

Mr. BROYHILL of Virginia. Mr. Chairman, I rise in support of the bill, S. 578.

What we are doing here today, Mr. Chairman, is nothing new. The Congress for many years has recognized that there are certain groups of Federal employees who are engaged in hazardous occupations. From time to time we have included additional groups of these employees into that category and have provided retirement benefits which are a little more liberal than provided under the regular civil service retirement system.

This is not only necessary but also desirable for people who are engaged in hazardous occupations. When they get a little bit older, they find there is a greater threat to their security and even to their lives by being engaged in this type of operation.

Then again, if we provide more liberal retirement, this will encourage younger people to come into this type of occupation in the Federal service.

What we are doing here today, Mr. Chairman, is including into the hazardous employment system for retirement purposes 11,000 Federal firefighters. I do not think there is any question that the facts will show that Federal firefighters are every bit as qualified for these special retirement benefits as the other 14 occupational groups.

Mr. Chairman, the fatality rate in firefighting is 275 percent higher than it is in other industries. The injury rate in the Federal service for Federal firefighters is three times greater than for all other Federal employees.

As was pointed out by the gentleman from Maryland (Mr. HOGAN), these employees have to work a 72-hour week. They have to work in the heat and in the cold and all hours of the day. They are subjected to the dangers of carbon monoxide and poison gases which unquestionably cause damage to the heart and to the cardiovascular system, and

which contribute a great deal to the shortening of the lives of these people who are engaged in this occupation.

The Federal form for application for a position as a Federal firefighter provides for a medical examination for hazardous and occupational duty, the same type of medical examination required for the other 14 positions.

So what we are doing here today, Mr. Chairman, is adding one additional group to the 14 categories which have already been granted a special retirement benefit. I do not mean to imply that the 14 groups that we are already providing special retirement benefits for are not qualified or eligible, but I do feel that firefighters certainly are more entitled to this special retirement benefit than many of these 14 groups for which we have provided this special benefit: For example, the Fish and Wildlife Service, the U.S. Customs Service, the Internal Revenue agents, investigators, Immigration and Naturalization Service. There is no question that the Federal firefighters are engaged in a more hazardous occupation than these other particular groups, and what we are doing here is to provide additional benefits for these people. They would average at least 1¾ percent compared to 1½ percent under present law.

What we are providing is a 2-percent formula retirement after 20 years of service and 50 years of age. I would say the average firefighter in this country has a much more liberal retirement system than that which we are providing today for our Federal firefighters. I hope the committee and the House will adopt this legislation.

Mr. HOGAN. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Chairman, I rise in opposition to this bill which will only compound a situation that never ought to have existed. Hazardous pay, where warranted, should be paid as a part of salary rather than early retirement.

It would be repetitive for me to go back over the excellent arguments made against the bill by the gentleman from California (Mr. SMITH) and others. If we are going to expand this sort of thing all through the Federal Government—and in my opinion that is what this bill will lead to—the Post Office and Civil Service Committee ought to go into this subject in depth and ascertain whether hazardous pay is justified where it is being paid and, if not, remove those from hazardous-pay status rather than add others to it without adequate investigation and hearings. That ought to be the first order of business next year for the House Post Office and Civil Service Committee and the subcommittee that handles this type of legislation.

Moreover, there is every reason to believe that it will be vetoed, and properly so.

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

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

Mr. HOGAN. I know the gentleman would not want to give the impression

that hearings had not been held on this legislation. They have, in fact, been held and all the witnesses interested in testifying were given an opportunity to testify.

Mr. GROSS. I insist the committee ought to go back into this whole business and revise the law, if necessary. I believe it is bad business to establish hazardous pay on the basis of early retirement, with such pay coming out of the retirement fund.

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

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

Mr. KEITH. If I understand correctly, it would be possible for firefighting personnel covered by the legislation to retire at the age of 50 with a pension in the vicinity of \$400 a month. Is that correct?

Mr. GROSS. It would permit retirement at the age of 50. I believe the per-month cost would be as the gentleman states. I know it would amount to something in the neighborhood of \$176 million.

Mr. KEITH. I just did a little computation, and figuring that \$100 a month is worth about \$25,000, if you were to buy that kind of annuity, and you multiply it by 4, it would be \$100,000. That would be the equity that the man would have in that pension at that time, and when you spread that over a period of 25 years, it is pretty good pay to accumulate that kind of equity for retirement.

Mr. GROSS. I thank the gentleman from Massachusetts for the excellent observation he has made, and urge defeat of the bill.

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

Mr. DULSKI. Mr. Chairman, I yield myself 1 minute.

I know the estimate of the unfunded liability in the Retirement Fund is \$176 million, but I would like to bring to the attention of the House that that amount would be paid over a period of 30 years, and would amount to only \$9¼ million each year for the next 30 years.

The gentleman from Iowa (Mr. Gross), a distinguished member of our committee, referred to hearings. We did have hearings on a similar measure in the last Congress, and we also had hearings on this bill in this Congress.

I yield 1 minute to the gentleman from New Jersey.

Mr. DANIELS of New Jersey. Mr. Chairman, I thank the gentleman for yielding.

I want to bring out the fact that the Senate on August 18, 1970, passed this bill unanimously. It was also passed by the Senate in the 90th Congress, but no action was ever taken in the House. In view of the fact that this bill has been considered by the other body in this and the previous Congress, and having come from the Senate unanimously, I urge all Members of the House to support it.

Mr. DULSKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland (Mr. GARMATZ).

Mr. GARMATZ. Mr. Chairman, I think it is important that these men be paid for this hazardous job. In case some fire

should happen, I hope we will be able to call on them for their support.

Mr. MATSUNAGA. Mr. Chairman, there are, not one, but two, compelling reasons why the House should today approve S. 578, a bill to extend to federally employed firemen the same early retirement option now available to Federal law enforcement personnel.

First, it is clear that allowing a more generous retirement to firemen at an earlier time will yield a younger, more vigorous and physically able, Federal firefighting force.

Second, and more importantly, the Federal firefighter deserves this equitable treatment.

We now recognize, Mr. Chairman, that certain Federal employees, working in the field of law enforcement, perform extraordinarily hazardous duties, subjecting them to physical and psychological pressures not experienced in other Federal jobs. They are permitted to retire at an earlier age, with fewer years of Federal service, than the ordinary Federal employee.

There are approximately 12,000 Federal firefighters, about 350 of them in Hawaii. In 1968 alone, these men battled over 19,000 fires nationwide. In those fires, 376 persons lost their lives, another 2,200 were injured, and almost \$300 million of property was lost. Can there be any doubt of the peril faced constantly by these brave men?

In view of this substantial threat to the health and safety of Federal firemen, and the increasing susceptibility to injury that normally comes with advancing age, I believe that firefighters should be offered this opportunity to shorten their careers.

Passage of S. 578, Mr. Chairman, will mean that the Federal fireman will be able to retire at age 50, following 20 years of hazardous service, on an unreduced annuity. This annuity will be computed at a flat rate of 2 percent of the employee's average pay, multiplied by his years of service.

I want to emphasize here that eligibility for early retirement will be determined individually, on a case-by-case basis, in the same manner now applied to law enforcement personnel. The head of the employing agency must recommend such retirement, on the basis of the fireman's actual work assignments. The Civil Service Commission must concur in the recommendation.

Although I am no longer a member of the House Post Office and Civil Service Committee, I remain vitally interested in all Federal employee matters. In this case, I am the sponsor of H.R. 11329, which is identical to S. 57 as introduced. Speaking, therefore, as a principal proponent of the legislation, I urge the House to approve this equitable and long-overdue measure.

The Senate passed this bill unanimously, Mr. Chairman, on August 18, 1970. In the 90th Congress, similar legislation passed the Senate, gained House committee approval, but never passed the House. We must not permit this injustice to persist; the House should pass without amendment and send to the President, S. 578.

Mr. OLSEN. Mr. Chairman, I rise to wholeheartedly support S. 578 and to commend the committee's unanimous action in bringing this worthwhile legislation to the floor of the House.

The early retirement provisions of existing law were initially limited in application to agents and subsequently extended to other Federal employees such as U.S. marshals, prison guards, Federal policemen, and Treasury agents, who are subjected to those hazards inherent in the performance of their duties. The preferential treatment has been justified on the basis that law-enforcement activity requires a staff of active, vigorous, physically capable men; and further, to encourage younger men to enter and remain in Federal service, and older men to leave it at an early age.

I believe there is general agreement that the ability of the average man to avoid and overcome the hazards involved in firefighting decreases as he grows older. In view of the increasing susceptibility to injury with each year on the job, it is the committee's belief that Federal firemen should be accorded the opportunity to shorten their careers.

I believe it is also recognized that enactment of this legislation will facilitate the maintenance of relatively younger and more vigorous firefighting forces throughout the Federal establishment.

To confine a preference of law to a group of employees engaged in hazardous duty without recognizing other employees performing equally or, at times, more hazardous duties is, in itself, an inequity. Mr. Chairman, let us remedy this inequity, which has existed far too long, by unanimously adopting this legislation.

Mr. NIX. Mr. Chairman, I rise in support of S. 578, a bill which will, at long last, correct an inequity that has existed in the civil service retirement law for more than two decades.

Since the late 1940's the retirement law has contained a provision which grants special early retirement privileges to employees serving in positions, the duties of which are hazardous and primarily involve the investigation, apprehension, or detention of persons suspected or convicted of offenses against the criminal laws of the United States. This particular class of employees may, after having served for at least 20 years in such capacity and having reached age 50, request retirement on an immediate annuity.

However, this preferential provision applies only if the head of the employing agency recommends such an employee's retirement and only if the Civil Service Commission approves that recommendation. Further, the law stipulates that both the agency and the Commission must consider fully the degree of hazard to which the applicant is subjected in the performance of his duties, as opposed to the general duties of the class of position held.

Essential to making such early retirement economically practical is a related provision of the law which prescribes that the annuity allowable under these provisions is an unreduced benefit and is computed at the rate of 2 percent of the

employee's high 3-year average salary multiplied by his total years of service.

The Congress has accorded this special treatment to Federal law enforcement personnel on the premise that that law enforcement activity requires the maintenance of a relatively young and physically active work force.

S. 578 proposes extending to Federal firefighters whose duties entail exposure to hazards not present in other occupations—hazards more dangerous on occasion than those to which law enforcement personnel are subjected.

The nationwide firefighter's fatality rate in 1966 was approximately five times as great as on-the-job deaths incurred in industry—92 firemen's deaths, as compared to 19 industrial deaths per 100,000 workers. Of greater significance, perhaps are the findings from data compiled by the Bureau of Employees' Compensation in its publication, Federal Work Injury Facts, November 1969. These findings disclose that, in 1966, the ratio of injuries and deaths to total Federal civilian employees amounted to 4½ percent, whereas the ratio of injuries and deaths involving Federal firemen amounted to 14 percent of the Federal civilian firefighting force. Thus, Federal firemen experienced three times the average of compensable injuries incurred by the total Federal civilian employee population.

While this legislation would presumably cover 11,000 Federal firemen, it is emphasized that the same safeguards applied to law enforcement personnel will be applicable to firefighters—that is, in recommending and approving an applicant's request for early retirement, both the agency and the Civil Service Commission will be required to give full consideration to the degree of hazard to which he is subjected in the performance of his particular duties, in contrast to the general duties of the class of position occupied. As pointed out by the Chairman of the Retirement Subcommittee, the gentleman from New Jersey.

A Federal fireman who had not in fact been exposed to hazards over a 20-year period would not be entitled to the preferential consideration proposed by the bill.

Accordingly, Mr. Chairman, I urge the adoption of S. 578.

Mr. DOWNING. Mr. Chairman, I rise in full support of other legislation. This recognition of our Federal firefighters is long overdue.

I have many military facilities in my district, each of which has an excellent firefighting unit. These men are on hazardous-duty call 24 hours a day, 7 days a week, the year-round. Their courage has never been questioned and their effectiveness has been proven time and time again.

These special people deserve this special recognition and I hope all Members will give it their enthusiastic support.

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

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

The Clerk read as follows:

S. 578

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8336(c) of title 5, United States Code, is amended by inserting after "United States" the following: "or are primarily to perform work directly connected with the control and extinguishment of fires or the maintenance and use of firefighting apparatus and equipment".

SEC. 2. The amendment made by this Act shall be applicable only in the case of persons retiring after the date of enactment of this Act.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. BURKE of Massachusetts, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (S. 578) to include firefighters within the provisions of section 8336 (c) of title 5, United States Code, relating to the retirement of Government employees engaged in certain hazardous occupations, he reported the bill back to the House.

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

The question is on the third reading of the bill.

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

MOTION TO RECOMMIT OFFERED BY MR. SCOTT

Mr. SCOTT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SCOTT. In its present form, I am, Mr. Speaker.

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

The Clerk read as follows:

Mr. SCOTT moves to recommit the bill S. 578 to the Committee on Post Office and Civil Service.

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

There was no objection.

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

The motion to recommit was rejected.

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

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

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

The SPEAKER. Evidently a quorum is not present.

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

The question was taken; and there were—yeas 158, nays 104, not voting 171, as follows:

[Roll No. 433]

YEAS—158

Adams	Baring	Blatnik
Albert	Bennett	Boggs
Anderson,	Bevill	Boland
Calif.	Blester	Bolling
Andrews, Ala.	Bingham	Brademas
Ashley	Blanton	Brinkley

Brown, Ohio	Helstoski	Pickle
Broyhill, Va.	Hicks	Preyer, N.C.
Burke, Mass.	Hogan	Price, Ill.
Burleson, Tex.	Hollifield	Pryor, Ark.
Burton, Calif.	Horton	Rallsback
Carey	Howard	Randall
Carney	Ichord	Rees
Casey	Jacobs	Reuss
Chappell	Johnson, Calif.	Rodino
Clark	Jones, Ala.	Roe
Cohelan	Jones, Tenn.	Rogers, Fla.
Conte	Karth	Rooney, N.Y.
Conyers	Kastenmeier	Rosenthal
Corman	Kazen	Rousselot
Culver	Koch	Roybal
Daniels, N.J.	Kyros	Ryan
de la Garza	Leggett	Saylor
Dorn	Lennon	Scheuer
Downing	Long, Md.	Schwengel
Dulski	McCarthy	Sisk
Eckhardt	McCloskey	Slack
Eilberg	McDade	Smith, Iowa
Evans, Colo.	McEwen	Rooney, Pa.
Feighan	McFall	Stefford
Flood	Macdonald,	Steed
Foley	Mass.	Steele
Ford,	Madden	Steiger, Ariz.
William D.	Maillard	Stokes
Fraser	Mann	Stratton
Fulton, Pa.	Mathias	Stubblefield
Fuqua	Melcher	Stuckey
Gallagher	Miller, Calif.	Teague, Calif.
Garmatz	Miller, Ohio	Tierman
Gettys	Minish	Tunney
Gialmo	Mink	Ullman
Goldwater	Monagan	Van Deerin
Gonzalez	Moorhead	Vanik
Gray	Morse	Waggonner
Griffin	Myers	Wampler
Gubser	Natcher	Watts
Gude	Nichols	White
Hamilton	Obey	Widnall
Hanley	O'Hara	Wilson, Bob
Hansen, Wash.	Olsen	Wilson,
Harvey	O'Neill, Mass.	Charles H.
Hathaway	Patten	Wyatt
Hawkins	Pepper	Yates
Heckler, Mass.	Perkins	Zablocki

NAYS—104

Abernethy	Forsythe	Nedzi
Alexander	Fountain	Nelsen
Anderson, Ill.	Frelinghuysen	Passman
Arends	Frey	Poage
Belcher	Galifianakis	Poff
Berry	Goodling	Quie
Betts	Green, Oreg.	Rarick
Bow	Gross	Reid, Ill.
Broomfield	Hall	Rhodes
Brotzman	Hammer-	Roberts
Broyhill, N.C.	schmidt	Ruth
Buchanan	Hansen, Idaho	Satterfield
Burlison, Mo.	Harsha	Schmitz
Byrnes, Wis.	Hechler, W. Va.	Schneebeil
Cabell	Hosmer	Scott
Carter	Hunt	Shriver
Cederberg	Hutchinson	Skubitz
Chamberlain	Johnson, Pa.	Smith, Calif.
Collier	Jonas	Smith, N.Y.
Collins, Tex.	Keith	Springer
Conable	King	Stanton
Coughlin	Kyl	Steiger, Wis.
Crane	Landgrebe	Talcott
Daniel, Va.	Latta	Taylor
Davis, Wis.	Lloyd	Teague, Tex.
Dellenback	McClure	Thompson, Ga.
Dennis	McDonald,	Thomson, Wis.
Dickinson	Mich.	Vander Jagt
Duncan	Mahon	Vigorito
Edwards, Ala.	Marsh	Ware
Erlenborn	Mayne	Whitten
Findley	Mills	Williams
Fisher	Minshall	Wold
Flowers	Mizell	Wyman
Ford, Gerald R.	Mollohan	
Foreman	Morton	

NOT VOTING—171

Abbitt	Bray	Clawson, Del
Adair	Brook	Clay
Addabbo	Brooks	Cleveland
Anderson,	Brown, Calif.	Collins, Ill.
Tenn.	Brown, Mich.	Colmer
Andrews,	Burke, Fla.	Corbett
N. Dak.	Burton, Utah	Cowger
Annunzio	Bush	Cramer
Ashbrook	Button	Cunningham
Aspinall	Byrne, Pa.	Daddario
Ayres	Caffery	Davis, Ga.
Barrett	Camp	Delaney
Beall, Md.	Celler	Denney
Bell, Calif.	Chisholm	Dent
Biaggi	Clancy	Derwinski
Blackburn	Clausen,	Devine
Brasco	Don H.	Diggs

Dingell	Langen	Reid, N.Y.
Donohue	Long, La.	Reifel
Dowdy	Lowenstein	Riegler
Dwyer	Lujan	Rivers
Edmondson	Lukens	Robison
Edwards, Calif.	McClory	Rogers, Colo.
Edwards, La.	McCulloch	Rostenkowski
Esch	McKneally	Roth
Eshleman	McMillan	Roudebush
Evins, Tenn.	MacGregor	Ruppe
Fallon	Martin	St Germain
Farbstein	Matsunaga	Sandman
Fascell	May	Schadeberg
Fish	Meeds	Scherle
Flynt	Meskill	Sebelius
Friedel	Michel	Shipley
Fulton, Tenn.	Mikva	Sikes
Gaydos	Mize	Snyder
Gibbons	Montgomery	Staggers
Gilbert	Morgan	Stephens
Green, Pa.	Mosher	Sullivan
Griffiths	Moss	Symington
Grover	Murphy, Ill.	Taft
Hagan	Murphy, N.Y.	Thompson, N.J.
Haley	Nix	Udall
Halpern	O'Konski	Waldie
Hanna	O'Neal, Ga.	Watson
Harrington	Ottinger	Weicker
Hastings	Patman	Whalen
Hays	Pelly	Whalley
Hébert	Pettis	Whitehurst
Henderson	Philbin	Wiggins
Hull	Pike	Winn
Hungate	Pirnie	Wolff
Jarman	Podell	Wright
Jones, N.C.	Pollock	Wydler
Kee	Powell	Wyle
Kleppe	Price, Tex.	Yatron
Kluczynski	Pucinski	Young
Kuykendall	Purcell	Zion
Landrum	Quillen	Zwach

So the bill was passed.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Bush.
 Mr. Hays with Mr. Camp.
 Mr. Hébert with Mr. Cowger.
 Mr. Thompson of New Jersey with Mrs. Dwyer.
 Mr. Addabbo with Mr. Bray.
 Mr. Blaggi with Mr. Devine.
 Mr. Celler with Mr. Corbett.
 Mr. Delaney with Mr. Blackburn.
 Mr. Dent with Mr. Esch.
 Mr. Matsunaga with Mr. Clancy.
 Mr. Henderson with Mr. Beall of Maryland.
 Mr. Fulton of Tennessee with Mr. Eshleman.
 Mr. Rivers with Mr. Ayres.
 Mr. Green of Pennsylvania with Mr. Fish.
 Mr. Rostenkowski with Mr. Burton of Utah.
 Mr. Shipley with Mr. Ashbrook.
 Mr. Byrne of Pennsylvania with Mr. Grover.
 Mr. Barrett with Mr. Button.
 Mr. Sikes with Mr. Brown of Michigan.
 Mr. Evins of Tennessee with Mr. Don H. Clausen.
 Mr. Edmondson with Mr. Halpern.
 Mr. Symington with Mr. Andrews of North Dakota.
 Mr. Long of Louisiana with Mr. Denney.
 Mr. Edwards of Louisiana with Mr. Del Clawson.
 Mr. Davis of Georgia with Mr. Bell of California.
 Mr. Dingell with Mr. Derwinski.
 Mr. Murphy of New York with Mr. Cleveland.
 Mrs. Chisholm with Mr. Rogers of Colorado.
 Mr. Farbstein with Mr. Clay.
 Mr. Diggs with Mr. Friedel.
 Mr. Gilbert with Mr. Collins of Illinois.
 Mr. Kee with Mr. Cramer.
 Mr. Kluczynski with Mr. Burke of Florida.
 Mr. Colmer with Mr. Adair.
 Mr. Montgomery with Mr. Cunningham.
 Mr. Abbitt with Mr. Brock.
 Mr. O'Neal of Georgia with Mrs. May.
 Mr. Philbin with Mr. Hastings.
 Mr. Pike with Mr. Meskill.
 Mr. Purcell with Mr. Pirnie.
 Mr. Pucinski with Mr. Michel.

Mrs. Griffiths with Mr. Pollock.
 Mr. Hagan with Mr. Martin.
 Mr. Haley with Mr. Price of Texas.
 Mr. Harrington with Mr. Powell.
 Mr. Podell with Mr. Quillen.
 Mr. Flynt with Mr. MacGregor.
 Mr. Edwards of California with Mr. Pettis.
 Mr. Gaydos with Mr. McKneally.
 Mr. Gibbons with Mr. Reid of New York.
 Mr. Morgan with Mr. Reifel.
 Mr. Moss with Mr. McCulloch.
 Mr. Murphy of Illinois with Mr. Riegler.
 Mr. Daddario with Mr. Mize.
 Mr. Donohue with Mr. Robison.
 Mr. Brooks with Mr. Kleppe.
 Mr. Brasco with Mr. Roth.
 Mr. Aspinall with Mr. Mosher.
 Mr. Hull with Mr. McClory.
 Mr. Jones of North Carolina with Mr. Roudebush.
 Mr. Anderson of Tennessee with Mr. Kuykendall.
 Mr. Udall with Mr. Ruppe.
 Mr. Wolff with Mr. Lukens.
 Mr. Young with Mr. Lujan.
 Mr. Meeds with Mr. Sandman.
 Mr. Mikva with Mr. Sebelius.
 Mr. Nix with Mr. Brown of California.
 Mr. McMillan with Mr. Scherle.
 Mr. Caffery with Mr. Pelly.
 Mr. Dowdy with Mr. Schadeberg.
 Mr. Fascell with Mr. Langen.
 Mr. Hanna with Mr. O'Konski.
 Mr. Fallon with Mr. Snyder.
 Mr. Stephens with Mr. Taft.
 Mr. Staggers with Mr. Watson.
 Mr. Landrum with Mr. Weicker.
 Mr. Jarman with Mr. Whalen.
 Mr. St Germain with Mr. Whalley.
 Mrs. Sullivan with Mr. Zion.
 Mr. Patman with Mr. Wylie.
 Mr. Hungate with Mr. Whitehurst.
 Mr. Wright with Mr. Zwach.
 Mr. Yatron with Mr. Wiggins.
 Mr. Waldie with Mr. Winn.
 Mr. Ottinger with Mr. Wydler.

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

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DULSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill S. 578, and to include extraneous matter.

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

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 19504) entitled "An act to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R.

19877) entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes."

PERSONAL EXPLANATION

Mr. FUQUA. Mr. Speaker, on rollcall No. 422, on adoption of the conference report on H.R. 17809, I was in a conference and unavailable to be present. If I had been present, I would have voted "yea."

PERSONAL ANNOUNCEMENT

Mr. DULSKI. Mr. Speaker, I was not recorded on rollcalls Nos. 414 and 415. Had I been present I would have voted "nay" on rollcall No. 414 and "yea" on rollcall No. 415.

REQUEST FOR AUTHORITY FOR SPEAKER TO DECLARE RECESSES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that during the remainder of the day it may be in order for the Speaker to declare recesses subject to the call of the Chair.

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

Mr. HALL. Mr. Speaker, reserving the right to object, may I inquire of the distinguished majority leader what would be the purpose of the action this late in the afternoon on this day of the week and so far into the session?

Mr. ALBERT. The conferees on at least two of the appropriations bills are meeting to consider certain matters related to the resolution of the difficulties between the two Houses on the several bills, and as soon as they get through and report back, we would assemble for the purpose of simply finishing the business of the day.

There is a possibility of a conference report from the Committee on Post Office and Civil Service. That is all the legislative business. That is only prospective.

We will have the usual 15-minute notification.

Mr. HALL. Mr. Speaker, do I understand from the distinguished majority leader that this is in consideration of the backing and filling and wheeling and milling with the other body such as went on in their star-chamber proceedings yesterday afternoon, from which no conclusion ultimately arrived except that we diddle and dawdled and spent more and more of the taxpayers' money?

Mr. ALBERT. The gentleman responding has so little knowledge of the subject matter the gentleman is discussing that he is not able to give a correct answer.

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

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

Mr. GROSS. Mr. Speaker, can the gentleman from Oklahoma, the distinguished majority leader, give us any information as to why the other body only a short time ago was in recess in the nature of a vacation from

their duties, their supposed duties and business over there?

Why should we go into recess and sit and wait at the feet of these people?

Mr. ALBERT. May I say to the gentleman, I have no knowledge of why the other body went into recess. We are doing this at the request of the gentleman from Texas, the chairman of the Committee on Appropriations.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman from Missouri yield?

Mr. HALL. I yield to the distinguished minority leader.

Mr. GERALD R. FORD. If I might, I should like to ask the distinguished majority leader this question: It was my understanding that the reason for the recess was to wait developments that might result in several conference reports coming over to the House. Am I correct that if they come over they would not be called up for action?

Mr. ALBERT. They will not be called up for action today; no.

Mr. GERALD R. FORD. They would be eligible for action on Monday.

Mr. ALBERT. We hope so.

I should like, if I get agreement on this unanimous-consent request, to make another unanimous-consent request in that regard.

Mr. HALL. Mr. Speaker, under the circumstances and in view of what we have done the past week, including early adjournment, and in view of the lack of decision of the other body, I am constrained to object.

Mr. GERALD R. FORD. Mr. Speaker, would the gentleman from Missouri withhold for a moment and yield to me for a comment?

Mr. HALL. Mr. Speaker, I will withhold and yield.

Mr. GERALD R. FORD. It would seem to me if we had the assurance that any conference reports coming over from the other body would not be acted upon today, but would be held for subsequent action—

Mr. ALBERT. I can give the gentleman that assurance. We should think we might have the Federal Salary Comparability Act conference report, if it comes over, which has no relation whatever to the major problems.

Mr. HALL. Then, Mr. Speaker, there is no use for the recess. I appreciate the words of the majority leader, and I do object.

The SPEAKER. Objection is heard.

REQUEST FOR PERMISSION TO CONSIDER CONFERENCE REPORT ON H.R. 19911 ON THE SAME DAY REPORTED

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that it may be in order to consider a conference report on the bill H.R. 19911 on the same day reported.

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

Mr. GROSS. Well, Mr. Speaker, reserving the right to object, just what, exactly, is this bill?

Mr. ALBERT. This is the supplemental authorization for foreign aid.

Mr. GROSS. I cannot think of any-

thing deserving less attention, Mr. Speaker. I object.

The SPEAKER. Objection is heard.

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

Mr. ALBERT. Mr. Speaker, I take this time to advise the gentleman that this action would give the House control of this measure if the Senate passed it. That is the reason for the request.

Mr. GROSS. I will say to the gentleman, that is not very much of an inducement, in view of what has happened in the House in the past.

AUTHORITY FOR CLERK TO RECEIVE MESSAGES FROM SENATE AND SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS NOTWITHSTANDING ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday, December 21, 1970, the Clerk be authorized to receive messages from the Senate and the Speaker be authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

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

There was no objection.

PROGRAM FOR NEXT WEEK

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

Mr. GERALD R. FORD. Mr. Speaker, I have requested this time for the purpose of asking the distinguished majority leader the program for next week.

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

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

Mr. ALBERT. Mr. Speaker, I am announcing the program for Monday and the balance of the week. Hopefully, that will be Monday and Tuesday.

Monday is Consent Calendar day.

We also have listed three suspensions and the Speaker may get a request for a fourth suspension from the Committee on Public Works regarding the naming of a lock and dam. The Speaker does not have the request yet, but he has had some oral modification to that effect. The three suspensions are as follows:

S. 11, Intergovernmental Personnel Act of 1970;

H.R. 14233, modifying ammunition recordkeeping requirements; and

S. 4571, to amend the Central Intelligence Agency Retirement Act.

Also, Mr. Speaker, I would like to announce that the Speaker may recognize under suspension of the rules on procedural matters on Monday.

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

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

Mr. HALL. Mr. Speaker, does the dis-

tinguished majority leader from Oklahoma mean that he is invoking the rule of suspension prior to the fixation of a date certain for sine die adjournment?

Mr. ALBERT. Mr. Speaker, if the distinguished gentleman from Michigan will yield further, this applies only to Monday. It is the regular suspension day. If it is possible to move fast on some of these things and get procedural matters out of the way, we hope to do so.

In addition to the program which I have previously announced, there is for the consideration of the House the following measures:

House Resolution 1238, relating to the Speaker of the House of Representatives in the 91st Congress, under an open rule with 1 hour of general debate;

House Joint Resolution 1146, expansion of United Nations Headquarters in the United States, under an open rule with 1 hour of general debate;

H.R. 19953, Emergency Rail Services Act of 1970, under an open rule with 1 hour of debate; and

H.R. 19446, the Emergency School Aid Act of 1970.

Mr. Speaker, this announcement is made subject to the usual reservation that conference reports may be brought up at any time and any further program may be announced later.

Mr. Speaker, we have announced that the Speaker may use his authority to recognize suspensions of the rules on procedural matters on Monday.

Other than this, Mr. Speaker, we know of no business that will be before the House except the disposition of outstanding conference reports.

Mr. HALL. Mr. Speaker, would the minority leader yield one more time?

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

Mr. HALL. Mr. Speaker, I notice that the distinguished majority leader has again listed the bill H.R. 19446, the so-called Emergency School Aid Act of 1970.

Is that the same bill that was referred to in colloquy all this week as the desegregation or busing emergency school act?

Mr. ALBERT. It is the same bill.

Mr. HALL. It is the bill that was withdrawn?

Mr. ALBERT. It is the bill that we were debating earlier in the week.

Mr. HALL. And it would be subject only to the chairman of the committee asking that we resume its consideration in the Committee of the Whole House on the State of the Union, subject to further consideration?

Mr. ALBERT. The gentleman is correct. May I say that I failed to state that the gentleman from Arkansas (Mr. MILLS) had previously advised and I had advised the House that the gentleman from Arkansas may call up some day this week certain bills from the Committee on Ways and Means, but the distinguished gentleman has put them over until Monday or Tuesday of next week. These are bills which have been unanimously reported from the Committee on Ways and Means.

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

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

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the gentleman yielding so that I might address a question to the gentleman from Oklahoma, the distinguished majority leader:

Under the unanimous-consent request on the first and third Mondays under suspensions, the gentleman from Oklahoma indicated that certain procedural matters might be recognized by the Speaker. Does that cover the so-called FEOC bill, which is pending now before the Committee on Education and Labor?

Mr. ALBERT. Mr. Speaker, if the gentleman will yield further, I would state to the gentleman from Wisconsin that that would not be a procedural matter. An example of a procedural matter would be such a thing as taking up a conference report on the same day we received it, or something like that.

Mr. STEIGER of Wisconsin. I thank the gentleman for yielding.

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

A TREND TOWARD MISUSE OF ECONOMIC LEVERAGE BY CONGLOMERATE MUTUAL FUNDS

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

Mr. THOMPSON of Georgia. Mr. Speaker, I rise to call to the attention of Members of Congress several incidents which suggest a trend toward a misuse of corporate economic leverage by officers of conglomerate mutual fund complexes to support or oppose political parties or candidates. Corporate officers have the same right and civic duty as other individuals, to contribute financially and speak for or against candidates and parties. They do not have a right to use their corporate offices to advance their personal views. Corporations are forbidden such activity by the Corrupt Practices Act. A misuse of corporate power by a mutual fund officer to impose economic reprisals against a political party or candidate would not only violate the Corrupt Practices Act, but would violate his fiduciary obligations to the shareholders, especially those who might not share the same political views, under the Federal securities laws. It would also raise grave questions of public policy and run counter to the constitutional safeguards of free speech implicit in the democratic electoral process. The use of corporate economic leverage by mutual funds to stifle the exercise of free speech by others is unthinkable.

During my own recent reelection campaign, it was brought to my attention by very responsible sources of unimpeachable character that persons alleged to represent a large New York mutual fund which was identified to me by two independent sources had approached at least two commercial banks in my district with the suggestion of significant corporate deposits if the banks would by some means unknown to me supply my opponent with \$25,000 of campaign funds. The president of the mutual fund, an able and honorable man, when con-

tacted disclaimed any knowledge and was shocked by the suggestion of such a proposal. He gave assurances he had no knowledge of and would not permit such a thing. Whether the proposal came from one of his corporate officials without his knowledge I cannot say. However, of one thing I am certain—the proposition was made. While I have agreed not to disclose the names of the bank officials who made known this proposition to me, I am nonetheless outraged but will not involve my informant since I have agreed not to do so.

However, this incident recalled to my mind that in the 1968 presidential campaign, a Robert Loeffler, vice president of Investors Diversified Services, Inc., of Minneapolis, caused the widespread circulation of a politically inspired counterattack on a Nixon campaign proposal to bring a more evenhanded approach to regulation by such Federal agencies as the Securities and Exchange Commission. To what extent Mr. Loeffler's efforts reflected the policy or attitude of IDS I cannot say—but in financial and political circles, there was some thought that IDS was fighting the Nixon candidacy.

According to the New York Times, we now find this same vice president of IDS, Mr. Loeffler, announcing that he, as a Democrat, was offended by some Republican Party political advertising, and used his corporate authority to impose economic reprisals against the sponsoring group.

Investors Diversified Services, Inc., is a large Minneapolis-based conglomerate. It is one of the largest mutual funds in the world. It has within its complex two securities broker dealer firms, a seat on a regional stock exchange, an oil and gas drilling fund, an insurance company, a leasing company, a credit company, a mortgage corporation, a real estate company and other enterprises. The serious antitrust problem of conglomerates in the financial field has been before Congress in the one-bank holding company bill and other proposals. Despite serious criticism of oil and gas funds by the Securities and Exchange Commission, IDS has launched into this field of economic activity.

Such considerations as these underline the wisdom of present laws forbidding the use of corporate or labor union power in political contests. Economic reprisals against political opposition encourage counterreprisals.

The great balance wheel of representative government is the two-party system. The participation in one or the other of the two great political parties is the very heartbeat of democracy. Every man is equal at the ballot box. Corporate officers, including mutual fund executives, should set an example of personal and individual participation by corporate employees. But they must take care that they do not violate their fiduciary duties to shareholders by misusing corporate assets, corporate economic leverage, or corporate power to support or oppose the political candidates or party they personally like or dislike.

Because of the incidents I have referred to above, I intend to raise some

questions in the next Congress about this problem. Perhaps we need to review the Corrupt Practices Act, or include some specific prohibitions in the Federal securities laws against misuse of corporate power for political goals in violation of fiduciary responsibilities to shareholders. This may well be an area of special danger where a mutual fund conglomerate is concerned.

ENVIRONMENTAL EDUCATION ACT

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

Mr. STEIGER of Wisconsin. Mr. Speaker, as a member of the Education and Labor Committee, I was interested recently to read the floor debate in the other body on final passage of H.R. 18260, the Environmental Education Act.

In the course of that debate the junior Senator from Wisconsin, and my esteemed colleague, Senator NELSON, discussed the intent of the Congress in adapting certain amendments to this bill which we agreed to on October 13. Specifically, Senator NELSON suggested that the Congress intended to require the U.S. Commissioner of Education to place the office of environmental education created by H.R. 18260 in the Immediate Office of the Commissioner.

As you may know, Mr. Speaker, I sit on the Select Subcommittee on Education which held hearings on this bill. In addition, I was a cosponsor of this legislation in the House of Representatives. Thus, I think that I am rather familiar with the purpose of this House, at least, in enacting this legislation.

I believe that our subcommittee chairman, the gentleman from Indiana (Mr. BRADEMAS), stated this intent precisely in the floor debate on October 13 when he noted:

It is the clear intention of the House that activities in environmental education be coordinated chiefly under the control of the new office of environmental education and that the office have a prominence within the Office of Education which will insure that it has the authority effectively to carry out the programs authorized by this act.

It would seem to me that this prominence of which the gentleman from Indiana (Mr. BRADEMAS) spoke can certainly be achieved without requiring placement of the office under the direct supervision of the Commissioner. There are programs administered by the Office of Education with a hundred times as much money appropriated, yet we do not require that the Commissioner keep minute-by-minute account of the activities in these units. Such a requirement, even if legislated, would certainly be an impossible task. It was partly as a recognition of this difficulty that we agreed to the administration's request to refrain from reorganizing the internal structure of the Office of Education.

Mr. Speaker, I must respectfully disagree with Senator NELSON's reading of congressional intent. I do not believe that any such requirement was ever intended.

H.R. 19973—INCOME TAX DEDUCTION FOR SOCIAL SECURITY CONTRIBUTION

The SPEAKER. Under a previous order of the House, the gentleman from Louisiana (Mr. RARICK), is recognized for 15 minutes.

Mr. RARICK. Mr. Speaker, the social security contributions which originally had been relatively insignificant, have today through continued increases, become another form of taxation.

For example, the original program called for a 1-percent contribution by both employee and employer on the individual's first \$3,000 of earnings—or \$30 withholding by each. By 1966 the taxable base had increased to \$6,600 and the rate to 3.85 percent.

The present base taxable salary is \$7,800 on which the tax payable by both employee and employer is 4.8 percent. This means that under the present law the maximum contribution by an individual is \$374.40 with an equal amount payable by the employer for a total tax of \$748.80. Any income above the \$7,800 taxable base is not taxable by social security.

In 1971, the taxable base is scheduled to automatically increase to \$9,000 at a rate of 5.2 percent. This means that a person earning the maximum \$9,000 or more in 1971 will pay \$405.60 as will the employer.

Legislation currently being considered in the House and Senate would increase the tax contribution in 1971 to as high as \$468. The tax rate is scheduled to increase to 5.9 percent by 1987 and reform proposals under consideration may even extend the rate to 7.6 percent with higher rates and contributions against self-employed individuals.

The social security contribution is not only a tax but is a double tax on the taxpayer's earnings. That part of the earnings taxed for social security is also subject to tax as income. In other words, an individual not only must pay his social security taxes on the first \$9,000 of his earnings, but he must also pay income tax on it.

To avoid this double taxation, I have introduced H.R. 19973, a bill to authorize deduction of the social security contribution from the income tax.

As time passes the American people laboring under the yoke of double taxation will cry out for relief.

Mr. Speaker, I include the text of H.R. 19973 here following my remarks:

H.R. 19973

To amend the Internal Revenue Code of 1954 to allow an income tax deduction for social security taxes paid by employees and by the self-employed

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 164(a) of the Internal Revenue Code of 1954 (relating to deduction for taxes) is amended by inserting immediately after paragraph (5) the following new paragraph:

"(6) Taxes described in subsection (g)."

(b) Section 164 of such Code is amended by redesignating subsection (g) as subsection (h), and by inserting after subsection (f) the following new subsection:

"(g) SOCIAL SECURITY TAXES PAID BY THE SELF-EMPLOYED OR BY EMPLOYEES.—There

shall be allowed as a deduction (for the taxable year within which paid) taxes imposed by section 1401 (tax on self-employment income) or section 3101 (tax on employees)."

Sec. 2. Section 62 of the Internal Revenue Code of 1954 (defining adjusted gross income) is amended by inserting immediately after paragraph (9) the following new paragraph:

"(10) Social security taxes paid by employees and by the self-employed."

Sec. 3. Paragraph (1) of section 275(a) of the Internal Revenue Code of 1954 (relating to certain taxes) is amended—

(1) by striking out so much of such paragraph as precedes subparagraph (B) and by inserting in lieu thereof the following:

"(1) Federal income taxes (other than the tax imposed by chapter 2), including"; and

(2) by redesignating subparagraph (B), (C), and (D) as subparagraph (A), (B), and (C), respectively.

Sec. 4. The amendments made by this Act shall apply to amounts paid after December 31, 1970.

INTRODUCTION OF THE FISH FARMING ASSISTANCE ACT OF 1971 ON DECEMBER 19, 1970

The SPEAKER. Under a previous order of the House, the gentleman from Mississippi (Mr. GRIFFIN) is recognized for 10 minutes.

Mr. GRIFFIN. Mr. Speaker, today I introduced legislation entitled the Fish Farming Assistance Act of 1971.

The wholesale crop—in 1969—of farm-raised fish in the United States was in excess of \$33 million. This amounted to only a small portion of the total value of fish consumed in the United States.

Seventy percent of all fish products consumed in this Nation are imported. Of the remaining 30 percent, most are salt-water varieties and only a small portion are pond-raised fish.

Mr. Speaker, with the growing pollution of our rivers, streams, and coastal waters, fish raised on farms under controlled conditions may provide a significant source of healthy food. This problem is dramatically underscored by the fact that today there may be, in the hands of consumers, many cans of tuna contaminated by mercury.

Farm-raised fish are produced under closely supervised and controlled conditions in a pollution-free environment.

As importantly, my proposal can add significantly to the income of farm families. As you know, the family farm is a rapidly vanishing institution in 20th-century America. This has contributed to overcrowding in urban areas and has resulted in social disintegration.

I was raised on a farm near Utica, Miss., and I have personal knowledge of values inherent in a stable rural environment. These values instill in children the virtues of honesty, duty, responsibility, hard work, and love and respect for God's creations.

Mr. Speaker, fish farming is not new in the sense of being an untested and uncharted venture. It could better be described as an underdeveloped and untapped agricultural resource.

The Bureau of Sports Fisheries and Wildlife, in their publication Report to the Fish Farmers, states:

The prospects for pond production of fish is limited mostly by technological development, farmer enterprise, and product merchandising.

"Farmer enterprise" means money. That, along with the problems of technical assistance and product merchandising, are things that we in Congress can help to solve by reasonable and appropriate legislation.

As an example of the growth potential of this industry, there were 16,870 acres of land under intensive warm water fish cultivation in 1963. In 7 years, that has increased to nearly 70,000 acres. This is a promising report for an infant industry, but I feel its growth can add materially to the economy of rural areas. I also feel that Congress can and should provide this impetus to fish farming to speed an increase in income to people in many depressed areas.

I would also like to point out, Mr. Speaker, that fish farming is not restricted to any one particular type or species of fish. Among the types of fish which are now being raised under such controlled conditions are buffalo fish, wide-mouth bass, crappie, bluegill, sunfish, salmon, goldfish minnows, and various kinds of trout and catfish. Of course, the state of the art is well developed in regard to certain types of fish and still in the developmental stages in others, but the culture of fish under controlled conditions is proving commercially feasible in the majority of States.

The bill I am proposing has two essential features. First, it would place in the Department of Agriculture all responsibility for the scientific and marketing research, technical assistance, and equipment development for fish-farming. Fish-farming is an agricultural enterprise as much as the production of livestock or crops. While the Bureau of Sport Fisheries and Wildlife, of the Department of the Interior, and the National Marine Fisheries Service, of the Department of Commerce, have both done commendable and outstanding jobs in the research and development of this industry, the consolidation and unification of appropriate programs and facilities would eliminate much existing confusion in the minds of fish-farmers as well as duplication of effort in ongoing programs.

Second, my proposal would authorize the Federal Government to make various forms of financial assistance available to persons to enable them to engage in this enterprise. It seems appropriate that we make direct loans and mortgage and rent guarantees available to U.S. citizens who are otherwise qualified but simply cannot get the money at reasonable rates. I am recommending that the Government participate to the extent of 90 percent of the cost of a proposed venture, but limit the direct loans to 50 percent of the proposed governmental assistance, with the remainder being in the form of guarantees.

THE SHADOW OF FEAR—DOMESTIC INTELLIGENCE

The SPEAKER. Under a previous order of the House, the gentleman from Texas

(Mr. GONZALEZ) is recognized for 10 minutes.

Mr. GONZALEZ. Mr. Speaker, throughout the year we have heard reports of Army domestic intelligence activities. We have heard that the Army compiled a national computerized data bank containing the names of various individuals thought to be potentially dangerous. Then we heard that the computerized lists had been destroyed, but that the files on which the data banks were built had not. Then we heard the names of some of the people who have been the subjects of this domestic spy activity—including elected public officials from State legislators to Members of the U.S. Congress. Throughout all of this we have felt the long shadow of fear—the fear that created this domestic military spy apparatus and the fear of its consequences.

There has been much blaming of the Army for all of this, but we must recognize that the responsibility lies not with the Army, but with all of us. Those of us who have supported legislation designed to limit legitimate constitutional rights, who voted for the so-called Riot Act and all the rest, helped create the climate of fear that resulted in the Army's decision to create its domestic spy network, a network that eventually cast its eyes of doubt on men whom we know to be loyal and patriotic.

That climate of fear had the majority of Congress saying that we should imprison people who crossed State lines with the intent of creating a civil disturbance. Enforcement of such a law requires knowing what is in a traveler's mind. Enforcement of such a law would require the erection of a police state.

The climate of fear had us believing that riots were to be a way of life in the United States, and so the Army was instructed to be prepared to cope with civil disorders.

What was the Army to do, but follow the lead of Congress? It is little wonder that some charged with protecting against civil disorder read their mandate broadly, broadly enough to have them set up a network designed to find out what was in the minds of people whom the Army felt might cause trouble—people whom the majority of Congress said should be in jail—oddballs, loud dissenters, unconventional people.

I personally deplore that the Army has engaged in domestic spying. But I cannot say that it surprises me that the Congress reflected the same fears that it did. Those who sought to limit liberty should not be surprised to find what the apparatus to carry their desires out looks like. If it looks like the apparatus of a military police state, they should not be surprised, for they enacted laws that demanded the creation of exactly that kind of apparatus.

So I do not wholly blame the Army. Perhaps it is true that the Secretary of the Army did not know, and does not know even now, the extent of domestic intelligence operations by his military subordinates. His intelligence agents do not report through regular channels, and he has things to do other than worry

about what a few relatively small detachments might be doing.

Perhaps we should not be surprised if even high military authorities do not know what has gone on.

I have some acquaintance with this domestic military intelligence system, and I take this opportunity to acquaint some of you with it.

It all began, as I noted, with a climate of fear. There was widespread opinion that violent dissent was going to become a way of life in our cities. The phrase we heard then was "long hot summer" and we heard that every summer the cities would be engulfed in flames and pillaging.

Many believed that police forces could not hope to contain violence, most of which was racial in nature.

So Congress created special summer youth programs, and at the same time the Army got the word to be prepared to deal with riots. Some Army units got special training, and as things happen to be in the Army, planners began to consider how to deal with riots in cities where they might be expected to develop.

But then the Army discovered that in order to plan for riot control, they would need to know where the riot might be, so that they could develop plans for the quick and effective deployment of troops. As the sixties move on, the character of the problem began to change, and political dissent rather than racial disorder was the problem.

The Army found itself facing the march on the Pentagon, and there were widespread fears that the great march might end in violence. Again came the troops, and the planned deployment. But along with the troops came intelligence agents, whose job was to follow events and report any signs of violence.

By 1968, when the riots broke out here in Washington, the Army was able to move out a trained, previously designated body of troops, and deploy them throughout the city in a preplanned manner. The troops were on the scene in a matter of hours, moving in patrols according to plan. There was little confusion—the only faux pas I can remember was the error of judgment a machinegun unit made in establishing its post on the Senate steps. Within hours of its arrival, the Army had the situation well in hand, and the riot ended with a minimal loss of life.

A good military commander takes into consideration every contingency. He does not want to be surprised. Forewarned is forearmed, and so it was only good military policy to see that military commanders had notice of any possible trouble before it happened, if possible, or if that were not possible, before the trouble could spread.

So was born the domestic spy network. As my colleagues can see, it just grew like Topsy.

By the time of the Democratic Convention of 1968 most people had forgotten pretty much about race riots, and were thinking about political riots. The Republicans had holed up in a Miami fortress, but the Democrats chose an accessible place. So, with everyone expect-

ing violence, we should not be surprised now to learn that the Army, trying to anticipate events, puts its agents into places where trouble might conceivably be hatched—by planning or by accident.

The Army thought it was doing its job but in so doing it created a network with the potential for complete disaster, as far as our liberties are concerned. For it is not the job of the Army to seek out the identities of troublemakers or political malcontents. That is the job of the Federal Bureau of Investigation. The Army is not supposed to carry out any function involving political processes. No agency of government in a free society can lightly take on the role of secret police. But the climate of fear thrust the Army into the role of a secret military police, spying on a free people—all in the name of protecting against riots.

No one really wanted it this way, but because so many feared the consequences of liberty, they were more than willing to run the risk of creating a police state. Those who fear liberty and who are willing to forego political liberty are the people who truly rate the name of subversive.

I have said that the Army intelligence network just grew like Topsy. The consequences have been interesting.

As recently as a few months ago, the Army had four field offices engaged in domestic intelligence collection and evaluation.

Generally, these offices are independent. They are not shown on any organization charts, any they do not have to answer to local military authorities. Most military officials do not know what these offices are or what they do; even a local two-star general may not know who those mysterious civilian looking types may be.

Those field offices maintain surveillance of situations that may turn into disorder, and they maintain current information on all types of people who may be troublemakers. Moreover, they utilize informers to gain access to the leadership of groups considered to be subversive, so as to gain information on plans of such groups.

Now I have said that the FBI has similar responsibilities. Apparently the Army does not coordinate its spying with that of the FBI. One former military intelligence officer told me of a meeting involving five individuals who were planning some kind of demonstration on the west coast. Two of the five were informers—one for the FBI, and one for the Army.

Sometimes Army intelligence is careless, and "blows its cover" as the saying goes. Thus, in one demonstration, Army agents disguised as reporters were taking pictures, when some of the demonstrators recognized the bogus newsman's Army glasses. That blew the cover, and the agent had to retreat. After that the field office got its agents some civilian glasses.

In another case, local police raided a subversive looking outfit, only to find they had bagged a half dozen agents, all working for the U.S. Army.

Aside from the perils of this operation to liberty, it has its moral problems.

The Army gets informers through the means that you would expect, usually blackmail. A GI in trouble with the law finds that if he cooperates, he will never get a court-martial. So informers are born, and they are used as long as possible, then discarded. The Army is also beginning to use as agents men who have long been overseas, and who are not exactly gentle operators when it comes down to decency and fair play. There is some indication that the Army is seeking to recruit as domestic agents college freshmen, who can be used for a much longer period than can ordinary informers, and who can be expected to develop a far higher degree of professional competence in their work.

And so it goes.

The point is that the Army is not alone to blame for all of this. Those who created the climate of fear must also shoulder the load. Those who seek to read the political minds of legitimate dissenters must expect the mind readers to read any mind they please.

The police power is much to be feared. Political police power is much more fearsome, and nowhere so much as in a society that would be free.

I applaud those who would defend freedom. But I say that we must begin defending freedom by our own actions, by our own responsibilities, by our own respect for the integrity of free men. Those who have fantasies of conspiracies, and who enacted their fears into statutes, should not be surprised that the powers selected to enforce those laws also have fantasies and faults of judgment.

It is time for all of us to dispel the fear.

Mr. Speaker, I place in the RECORD at this point an article by Tom McGowan of the San Antonio Light:

GONZALEZ CHARGES: "CIVILIANS SPIED ON"
(By Tom McGowan)

Military intelligence agents are spying on the U.S. civilian population, Rep. Henry B. Gonzalez charged Wednesday.

The Army, the San Antonio congressman said, has set up a "supersnooper" network which would have been the envy of the colonels' junta which took over Greece.

"In the mid 1960s, violent dissent seemed to be threatening many cities. The long, hot summer riots of 1966, and student unrest made it seem that many cities would be engulfed in violence no police agency could handle," the congressman said.

RIOT CONTROL

Under these circumstances, the Army was asked to provide a force of troops trained in riot control to deal with civil disturbances.

By 1968, the Army had fully prepared troops and contingency plans for dealing with civil disturbances in major cities.

"But beyond planning troop movements and how to employ troops in riot situations, the Army began to become interested in anticipating events.

"PLANNED" VIOLENCE

"They wanted to uncover incipient riots from the beginning and even to learn of planned violence or protests that could lead to violence.

"So, military intelligence began to set up a network of agents to operate within the United States and to be independent of local police agencies, the FBI or the normal Army chain of command," the congressman said.

"For example" he said, "Army intelligence had agents present in the planning and actual march on the Pentagon in the summer of 1968."

Military intelligence, Gonzalez said, "has no mandate, and probably no legal authority to set up a clandestine intelligence network in the U.S."

EXTRALEGAL

This intelligence network is extra-legal and is in no way coordinated with an already extensive system run by the FBI, which has legal authority to perform this type of work, Gonzalez said.

The congressman said the Army has four or more field intelligence offices in the United States and added that "most of these offices use clandestine agents to infiltrate civilian organizations and report on their activities and plans."

He said that since Army Intelligence does not coordinate with the FBI, it can lead to ludicrous circumstances.

"In one meeting, numbering a total of five persons planning a demonstration, two were government agents—one from the FBI and the other from Army Intelligence."

INFILTRATION AIM

At present, Gonzalez declared, the Army activity seems aimed at infiltration of organizations which have a "potential" to cause civil disturbances.

Defining what is "potentially dangerous" is tricky, the congressman pointed out.

"It is clear that the intelligence net may very well maintain information on perfectly legitimate groups.

"For one thing, there aren't enough real revolutionaries around to keep the agents busy. For another, the Army has a growing number of well-trained agents coming back from Vietnam, and they must be given jobs.

"Employing such agents, trained for clandestine jobs overseas, in the United States seems neither safe nor legal.

"They may, in fact, be a real menace," he warned.

Gonzalez said that, generally speaking, this intelligence function is not well known even within the Army.

"The intelligence field officers do not report to the local generals, but have their own chain of command.

DRESS AS CIVILIANS

"Intelligence agents appear on no organization charts and they generally dress as civilians."

Gonzalez warned that the Army "today plans to create a professional intelligence force within the United States.

"This group would not consist of informers but would be recruited from among students who would serve as career men.

"And all of this came from the Army's need to plan for containing civil disturbances.

"The Greek colonels would like to have what our Army already has developed."

H. R. 19446 THREATENS OUR NEIGHBORHOOD SCHOOLS

The SPEAKER. Under a previous order of the House, the gentleman from Missouri (Mr. RANDALL) is recognized for 15 minutes.

Mr. RANDALL. Mr. Speaker, I deplore the manner in which this body has operated the last few days. But maybe after all there is an element of good that comes from this kind of mismanagement. It has been the fact that we were able to sidetrack the so-called Emergency School Aid Act of 1970.

Yesterday, Friday, December 18, there was quorum call after quorum call in a

House type filibuster against the consideration of this measure which was commenced on Thursday. Although I did not call the quorum or demand that the Journal be read, I must say frankly that I was in sympathy with the effort to get this kind of matter off the legislative calendar. Now it seems this ill-advised bill be given another chance on the floor in the few days we have left before Christmas.

I had planned on my own sine die adjournment tonight because I honestly believe the greatest service I could perform to my constituents would be to contribute to a situation where there would be no quorum because if there has ever been a lameduck session ill-fated from the very beginning it has been this one. Those who argue there was work to do should recognize work cannot be done in haste and in the manner we have proceeded. It would be difficult to estimate how much we have cost our own constituents by this first lameduck session in 25 years.

But, Mr. Speaker, contrary to our preferences some of us have little alternative but to set aside the plans we had made and return next week if for no other reason than to vote against such a monstrosity as HR 19446. I have not engaged in any extensive research as to the history of this great offering that comes to us from the House Committee on Education and Labor.

I observe it was not introduced until September 24. However, I do know that quite patently, obviously and most apparently it is an effort by two or three Members to try to make some kind of a name for themselves by passing what could very well be one of the most expensive pieces of legislation of this lameduck session.

For several reasons, I happen to be one of those who hopes that this matter is put back on the calendar and that we will be given an opportunity to vote "no." I say this because the best way to be on record on a thing of this kind is to have the roll called, when every Member can be counted. It is easy to say what we might or could have done if we had a chance. The best way to put this kind of a bill out of the way for good is to bring it up for a vote and soundly defeat it and put it to rest forever.

The authors of this bill have dreamed up a very catchy title when they call it the emergency school aid bill of 1970 making it seem as if this must be enacted in response to some extreme emergency situation. The impression is left if something is not done soon our schools are going to be in bad shape all because school districts must have financial assistance to carry on desegregation. Perhaps the authors give themselves away, however, in the statement of purpose when they announce that the main objective is to improve education in racially impacted areas. Well, of course, such improvement is no emergency. Everything which could be funded under this bill can be funded under existing Federal legislation. The bill is a complete misnomer and instead of any emergency, what they are trying to do is start a new program

of very doubtful value which they hope to make a permanent program.

I suppose the worst of the bill is revealed in section 6. There the cat is really let out of the bag, by the wording on page 26 of the bill, which states the provision of transportation purposes for students is to overcome racial imbalance. But then the authors of the bill hasten to add in the same section that this does not mean the bill sets up a requirement that students be transported to overcome racial imbalance. Of course, the bill does not have to make such a provision a requirement. Our misguided Health, Education, and Welfare bureaucrats have set guidelines and even some State agencies have set up legal requirements concerning racial imbalance. All that is needed from this bill then is to provide the funding for the destruction of our neighborhood schools.

If this bill should be enacted the very authorization of the funding will become a source of major inducement for both the bureaucrats at HEW and all the courts to order mass busing programs. The programs would proliferate so the extravagant funding of this legislation would not prove adequate.

The real issue here is whether we are going to abandon the policy of neighborhood schools. Every poll I have seen shows people oppose such an abandonment. Even the parents of the blacks prefer neighborhood schools, because those who argue that there must be a racial and ethnic balance if youngsters are to have a quality education know they are so very, very wrong.

I have not always agreed with our President but at his news conference last week he stood up and spoke out that he was committed to preservation of neighborhood school concept. All Americans applauded him for that statement. The busing provision of this bill is inconsistent with the President's well-reasoned and logically sound policy for the preservation of neighborhood schools.

This bill is misnamed, unneeded, extravagant, potentially dangerous, divisive of our people, and a waste of the taxpayer's money. It should never have been scheduled and should promptly be defeated.

THE LAW IS AN OUTLAW

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I would like to bring to the attention of our colleagues an article authored by Jack Newfield which appeared in the Village Voice of December 17. It is entitled "The Law Is an Outlaw." It describes what happened in two New York City jails shortly after these institutions' inmates had rioted on October 5.

These prison riots—which I brought to the attention of this House at that time—were the result of what New York City Corrections Commissioner George McGrath admitted as being conditions that constituted violations of prisoners' rights. He, himself, told me at a meeting at city hall that the complaints

of the prisoners were justified. The following is the published list of the prisoners' grievances, as they appeared in the press:

First. There is a denial of due process, speedy justice, and adequate legal representation.

Second. The Legal Aid Society does not provide its clients with a vigorous defense.

Third. There is brutal treatment of prisoners, primarily blacks and Puerto Ricans.

Fourth. Wives, sisters, mothers who visit are indecently proposed to by officers at the prison.

Fifth. Food is unpalatable, poorly prepared, and "not fit for human consumption."

Sixth. There should be more law books available to prisoners preparing their own legal documents.

Seventh. The prison is infested with "body lice, roaches, rats and mice."

Eighth. Clothing should be supplied to prisoners detained for long periods of time.

Ninth. There is an inadequate medical staff.

Tenth. There should be no reprisal against "any of the inmates involved in this protest."

As always happens in these matters, every public official responsible for the prisons pledged that conditions would be improved; and most important, Mayor John Lindsay and his corrections commissioner pledged that there would be no retaliation against the prisoners for their participation in the prison rebellion. One must assume that this amnesty was the result of an acknowledgement that the grievances of the prisoners were just.

While criminal charges were not immediately brought against the inmates by the corrections department, prisoners were brutally beaten. What occurred in these prisons is now the subject of a lawsuit in the U.S. District Court of the East District of New York. When I read the Newfield article, I was deeply angered because it described in such compelling graphic terms man's inhumanity to man. Last year I read a book, "Barbarism in Greece," which described in affidavit form what took place in the prisons of the Greek junta. The beatings described in the Voice article are comparable.

In relating what happened, Jack Newfield wrote:

The Correction officers began to systematically club the prisoners in the courtyard of the 86-year-old brick jail with ax handles, baseball bats, and riot sticks. They beat them so savagely that a photographer from the Daily News vomited at the sight of the flowing blood and cracked bones.

Three weeks after this attack on the prisoners, the prison officers were exonerated, despite the stories of independent witnesses and photographic evidence, and eight prisoners—seven blacks and one Puerto Rican—were indicted. Furthermore, all journalists were locked out of the city's prisons by Commissioner McGrath.

The barbaric beatings that took place in New York in October surely are duplicated in other cities in this country. I believe it is a matter of prime importance that we hold hearings on H.R. 16794, the bill I introduced by our colleague ABNER MIKVA of which I am proud to be a cosponsor. This bill would establish minimum standards for correctional institutions and provide Federal funds to

assist State and local prisons in meeting these standards.

I urge our colleagues to read Jack Newfield's article which follows and to become cosponsors of H.R. 16794:

THE LAW IS AN OUTLAW

(By Jack Newfield)

It was about 7:45 a.m. on Monday, October 5. Mayor Lindsay and his press secretary Tom Morgan were inside meeting with the inmates of the Long Island City Men's House of Detention after they had ended their revolt peacefully. Released hostages were telling reporters on the sidewalk outside that the inmates had protected them, had saved their lives, and that the basic demands of the rebels—lower bail, speedier trials, less overcrowding—were just.

It was 7:45 a.m. when correction officers—mostly white—began to beat prisoners—mostly black—who had been promised no reprisals by the warden. The correction officers began to systematically club the prisoners in the courtyard of the 86-year-old brick jail with ax handles, baseball bats, and riot sticks. They beat them so savagely that a photographer from the Daily News vomited at the sight of the flowing blood and cracking bones.

Michael McCardell is a reporter for the Daily News. He witnessed the beatings from the ninth floor window of a factory-warehouse that looked down on the courtyard. This is how he described what he saw the next morning in the Daily News.

"It was a gruesome scene.

"About 250 prisoners were sitting on the grass. Behind them, 30 Correction Department guards were lined up, all of them holding weapons—ax handles, baseball bats, and night sticks.

"One inmate was dragged out a doorway onto a loading platform and five guards attacked him with their clubs. They battered his head and blood flowed over his face and body. He was kicked off the platform and several other guards pounded him again with their clubs.

"His limp form then was lifted off the ground and thrown into a bus as another prisoner was hauled out and belted across the back with a club. Then more clubs rained down on him until he was motionless and blood-soaked. He too was thrown into the bus.

"Another man was pushed out, his hands above his head. A bat caught him in the stomach and he doubled over. More clubs came down on his spine. Eight guards were slugging away at one time.

"A fourth prisoner emerged but the guards seemed to let go of him. He began running but the guards caught him and one put a knee into his groin. He toppled over and more guards kicked him over and over.

"Six more prisoners got the same treatment. . . .

"A police official who would not give his name was asked about the beatings. 'We don't know,' he replied. 'That's Correction Department domain. We're only here if they need us.'

"It was 7:45 a.m. then and Lindsay had been in the prison since 6:20. From behind police barricades one could see the prisoner-occupied east wing of the sixth floor.

"Victor Martinez, a leader of the insurrection, leaned out and shouted through a megaphone: 'Prisoners are being beaten. They are being killed. The mayor is lying.'

"Lindsay left at 8:20 a.m. Asked about the beatings, he said, 'I have been told there were injuries on both sides.'"

When Tom Morgan left the jail that morning after 72 sleepless hours, reporters told him about the beatings. He just couldn't believe it. Later he saw the dark, grainy films on television and was sickened by them. Another Lindsay aide, Barry Gottehrer, who

had helped negotiate the settlement with the inmates, was so heartbroken by the brutality that he had to leave town on a vacation to get his emotions back intact. After Mayor Lindsay learned about the beatings, he directed Corrections Commissioner George McGrath to submit a "full and speedy" report on the incident. He also asked Corporation Counsel J. Lee Rankin to look into the matter.

Three weeks after the beatings, Queens District Attorney Thomas Mackell anticipated the inverted justice at Kent State by announcing the indictment of eight inmates, seven of them black, two of them Panthers. He exonerated all the guards, despite the substantial film and photographic evidence. The inmates were indicted on such charges as kidnapping, attempted larceny, and conspiracy.

That was two months ago. Time passes and people forget. All journalists have been barred from monitoring the city's jails by Commissioner McGrath. New outrages in Vietnam and Spain compete for our attention. The appropriate speeches and editorials urging six-point or 10-point court and penal reforms were churned out, duly noted, and filed away. Once again there was no communication between the outside world and the municipal Cancer Wards. The inmates continued to suffer worse food, worse health care, and less space than the animals caged in the Central Park zoo. But until the next riot it would not be news anymore.

This week I telephoned the office of Commissioner McGrath to see if he had yet submitted his "full and speedy" report to the Mayor.

"What report?" asked the Commissioner's press secretary, Al Castro.

"The one about correction officers beating up inmates with ax handles two months ago," I answered.

"What are you, some wise guy? No one got hit with any ax handles. I don't know when that report will be finished."

I repeated this conversation to William vanden Heuvel, the recently appointed chairman of the New York City Board of Correction, and asked him to ascertain the status of McGrath's report.

The next day Vanden Heuvel told me he had been informed by McGrath that the "full and speedy" report was not yet even half finished, and might not be completed until February.

Kew Gardens is another jail in Queens. There too, last October, prisoners rioted, surrendered on the promise of no reprisals, and were beaten. Only these beatings were administered in secret behind the stone walls, days after the trouble was over. The brutality was so total, so systematic it can fairly be described as torture.

But four young lawyers for the Legal Aid Society—William Hellerstein, Barbara Shapiro, William Nelson, and Joel Berger—have now collected sworn affidavits from the victims. These statements read like they were smuggled out of Brazil, or Greece, or Stalin's labor camps. But they came from New York City and have now been submitted to the Eastern District Court in a class action law suit in behalf of the 800 inmates against Mayor Lindsay, Commissioner McGrath, Kew Gardens Warden John Kennedy, and Deputy Warden Albert Ossicow.

The suit was argued last week before Justice Orin Judd. The lawyer who represented the Correction Department (Irwin Herzog) is the same lawyer who is investigating the Correction Department's conduct at the Long Island City Jail for the Corporation Counsel, J. Lee Rankin.

Somehow neither the affidavits nor the case have been noticed by the daily press. I will quote at some length from several of these simple, dignified accounts, all from citizens who assert they did not participate in the revolt and did not resist when it

was over. Several of these inmates were indicted by Queens District Attorney Mackell on sodomy, bribery, and other felony charges right after they began to talk to Legal Aid Society lawyers about their plight.

From Jonathan Williams:

"The officers were shooting more gas onto the floor at this time (October 3). Inmates were hollering, 'We give up. I heard people screaming things like this: 'Don't hit me no more,' 'We give up,' 'Oh my God, my head.'"

"Then the C.O.'s (correction officers) came onto Upper D where I was lying in a corner . . . As I went downstairs, as ordered, the officers were hitting me and all the other prisoners with nightsticks and ax handles. As I came off the steps an officer drew his club back to hit me on the head. I put my arm up to protect my head and the blow hit my right arm, breaking it . . ."

"I saw people bleeding profusely from the head. I saw one man with a bloody towel around his head trying to get up to get a fresh towel. . . . The C.O.'s then ordered us to chant, 'Power to the C.O.'s. If you didn't say it, you would get beaten. One Spanish boy from the Upper D gallery who couldn't understand a word of English got beaten because he did not say, 'Power to the C.O.'s.'"

"Around 8 or 9 a.m. Sunday morning, (October 4), we were put into cells, three or four to a cell. . . . Happy Gray, who was put on Upper C side, where a man died of head wounds. (Correction officers claimed the inmate died of an 'overdose of darvon.')"

"After a cast was put on my arm I was in the custody of a C.O. named P. Bally, handcuffed to him. This was early Tuesday morning, October 6, and I had had nothing to eat since the sandwich early Sunday morning. . . ."

"We were taken from the bullpen on the third floor 'bing' (solitary) on Tuesday afternoon. . . . I was in the cell for about an hour when the beatings began again. I heard about a dozen beatings. One man was hit with a stick across the knees and fell down opposite my cell. The C.O.s beat him until his head opened up."

"This continued through Tuesday night. On Thursday or Friday (October 8 or 9) I saw many inmates, naked, being beaten in the dayroom. . . . I have been kept in the bing all this time. I am locked in my cell 24 hours a day. I have gotten no mail from my wife, and I am unable to write to my two children. I know that my wife has written to me. . . . In over three weeks I have been allowed only one shower. All my clothes and other possessions were taken from me, including my mail and my pictures of my family."

"About 18 days after I was put in the bing, deputy warden Schaeffer came around and gave everyone an envelope and one sheet of paper. He said we could write to our families and tell them everything was all right with us. I wrote my wife telling her my arm was broken and asking her to send a lawyer to see me. No lawyer has come, and I am sure the letter was not mailed."

Donald Leroland's affidavit:

"Late Saturday night or early Sunday morning warden Kennedy spoke over the public address system, telling everyone to lock in their cells and turn their lights on as a signal of surrender. He said that if this were done there would be no reprisals. I locked in and turned my light on. . . ."

"During the next few days many men were brought down from the floors above, beaten with sticks and clubs. . . ."

"Friday, October 9, 20 or 30 C.O.'s came onto my gallery and ordered everyone to strip naked. We were then marched, hands over heads, into the dayroom. . . . In the dayroom I was lined up with about 40-45 other inmates in three rows, facing a wall. Deputy warden Ossicow ordered us to turn around and face him, saying, 'I want to see if any of my friends are here.'"

"Officer McCoy then said, 'Everybody line up, ——— to ———. Everyone who gets a ——— can walk' (meaning anyone who got an erection would not be beaten)."

"McCoy then started beating everyone in the back row with a club on their buttocks and legs. . . . The physical beating was not as painful as the humiliation."

Ralph Valvano's affidavit:

"From what I heard there was no resistance by the prisoners on the fourth floor, that no resistance was possible. The guards came in and brutally beat the prisoners. I heard the screaming and the next day the injured were taken to the third floor. In all about 40 prisoners were beaten. . . . A man named Rabbi is still in Kings County Hospital with a broken leg. Someone named Shorty, a black man, was killed. Although the guards said he died of an overdose, he was seen in a sheet with his head wide open, and the sheet with large red stains, by at least two men: Raymond Minori and Happy Gray. . . ."

"From Sunday, October 4, to Friday, October 9, the entire prison population was subjected to beatings. I heard many screams and saw with my own eyes three men, naked, being beaten with sticks down the stairs, in three separate incidents. . . . The official in charge of these beatings was Captain Hall."

"On Monday, October 5, I was put in the bing, or segregation. No reason was given. I was locked in 24 hours a day, with no mattress, no visiting rights, and I can neither send nor receive mail. For the first 10 days I was without blankets. My cell is 3 LC 9."

"On October 18 one of the prisoners, Richard Tucker, swallowed glass in order to get out of the prison. He was badly beaten, taken to Kings County Hospital, and beaten again when he returned."

"I have been threatened with an indictment for leading the riot by Captain Hall. Deputy Warden Ossicow told me, 'Valvano, I'm going to get you without even laying a hand on you.'"

Richard Flowers' affidavit:

"I don't know what happened to Sonny Shearan. Another correction officer came by shortly after his beating and said to me, 'It's a damn shame the warden ordered these beatings.' This particular correction officer did not take part in the beating and he was put on 12-hour turnkey duty as punishment. . . ."

"The evening of October 5, Monday, we were herded into the dayroom, naked. A correction officer ordered us to stand closer: 'I want you ——— in the man's ——— in front of you,' he said. 'Anyone whose ——— gets hard, you walk without a beating.' I can identify the correction officer who made this order, but I do not know his name. Captain Hall was present."

"There are a dozen more statements like this, describing wounds not treated, warnings not to talk to Legal Aid Society lawyers, the confiscation of inmates' letters; pictures, and lawbooks, reprisals against guards horrified by the cruelty, days in the bing without toilet paper or blankets or solid food, and sadistic beatings committed in front of Deputy Warden Ossicow."

On November 12, Ralph Valvano dictated a supplemental statement to a Legal Aid lawyer. It concluded:

"I am frightened of losing my life. I find the constant intimidation and abuse almost unbearable. I wish to state here that I have no intention of harming myself—if I come to harm it will be because the guards have harmed me."

A few facts to meditate on: Almost all the inmates of the Kew Gardens jail, of the Tombs, and of the Long Island City jail have not been convicted of a crime. According to the Constitution, they are innocent until proven guilty, by a jury. These institutions are detention facilities, not punishment prisons. The men are detained there usually because they could not raise the \$500 or

\$1,000 bail on the single phone call they are allowed. Most of them have been in these dungeons, for six and 12 months waiting for their trial to begin, 25 per cent on bail of \$500 or less. Under any name, this is preventive detention. They rot in these Cancer Wards because they are poor, and because some criminal court judges are political hacks who work only five hours a day. Most of these judges are opposed to the penal reform supported by Chief Justice Burger and Mayor Lindsay, and already adopted by the state of California, the reform that places a 60-day legal limit on the time between arrest and trial.

Even before the first prison riots last August, the conditions in these detention facilities were sub-human. The Tombs last summer was 900 prisoners above its 930 capacity. The Kew Gardens detention center, with a capacity of 520, held more than 1,000 inmates. During the riots, the bodies of giant dead rats were hurled through the broken shards of glass in the Tombs down onto the sidewalk. The city's entire corrections system has only two exterminators on its payroll. And there are 11 part-time psychiatrists for the approximately 10,000 prisoners.

Today, after all the promises and publicity, nothing has changed. Vague speeches about future court, bail, and penal reforms do not affect daily life in the dungeons. The bing cells, as infamous as the tiger cages of South Vietnam, are still used in all the city's detention facilities without comment by the press. Three inmates have committed suicide just within the last few weeks. Commissioner McGrath has rejected Father Laurence Gibney's (the chaplain at the Tombs) modest requests that the inmates be permitted more than one phone call to raise bail, that they be given more than one uniform for their entire stay in jail, that there be more law books in the prison library so they might help prepare their own defense, and that reporters be given permission to visit and monitor the jails. (In 1968, the Vera Institute of Justice and the Mayor's Criminal Justice Coordinating Council conducted a study that showed that a prisoner with direct access to a telephone was twice as likely to make bail, and suggested that such access would ease the crisis of overcrowding.)

"We have no mouth and we must scream," the anonymous voice screamed last summer. But there is no one now behind the walls to hear the mouthless voices.

It is always difficult to isolate accountability in a case like this, where there is a closed cycle of error. Who is to blame? Is it the individual guards? The warden? Commissioner McGrath? D. A. Mackell? The nameless, impersonal thing called "the system"?

Why has Commissioner McGrath covered up these beatings? Why hasn't McGrath submitted his report to the Mayor? Why hasn't Lindsay fired McGrath, whose four-year tenure in office has been characterized by riots, brutality, and suicides? How did Corporation Counsel Rankin permit the same lawyer who is investigating the Correction Department behavior at the Long Island City jail represent the Correction Department in the court hearing on the Kew Gardens jail?

What can be done now? Can Governor Rockefeller convene a special grand jury to indict the guilty guards and wardens? Can the City Council hold its own public hearing and subpoena the perpetrators of violence? Why has Investigations Commissioner Ruskin been silent about the whole affair?

Perhaps the answer is that legal authority in New York has become as corrupt as in the film "Z." Once a long time ago in Mississippi, Bob Moses, the old SNCC organizer, asked me, after Goodman, Chaney, and Schwerner had been murdered by the local sheriff, "What do you do when the law is an outlaw?"

More and more that is a question that haunts me. It was the National Guard who

killed the four students at Kent State. It was the Chicago police who murdered Fred Hampton. Here in two jails, it was the guards and the wardens who broke the law, and so far no one seems interested in remedying this parody of law and order.

The law is an outlaw. And all the mouthless voices are screaming behind the thick walls for justice.

THE PLIGHT OF THOSE ON WELFARE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on December 15, I shared with our colleagues my observations during a visit to the Broadway Central Hotel in New York City, which is being used by the city's social service department to shelter more than 75 welfare families. Howard Blum, a reporter for the Village Voice, accompanied me on that inspection. He has written a superb article reporting his observations. I urge our colleagues to read his article which follows. I will remember for a long time to come my meeting with some of the families placed in the hotel. Many of these people are dispirited and without hope. I did meet some who, notwithstanding the adverse conditions they are living under, have still maintained their self-respect and dignity. Howard Blum beautifully described the difference:

Two families living on welfare in the Broadway Central Hotel. One is trying. The other is no longer able. It does not matter. Life is impossible. Impossible.

Howard Blum's article is not only totally accurate but brilliantly written and should bring home to those who have not been in such a situation what it means in terms of degradation and the life and death of a family.

The article follows:

LIFE AND DEATH IN THE BROADWAY CENTRAL

(By Howard Blum)

A family. Five people in a small room. The mother is sick with asthma. It is difficult for her to breathe. One son, Ernest, sits on a bed suffering from lead poisoning and recovering from pneumonia. He is eight years old. His lips are swollen and he sucks on a tv wire. He is shaking, his head rolling from side to side. No one pays any attention. His 10-year-old brother sits next to him. He is playing with a bottle of vitamins. The bed is not made. The sheets are urine-stained. The room is dark like a cave. The paint is peeling in onion skin layers. The pipes are exposed. There is no stove, only a hot plate. It is stained with old food. Empty pots lying next to it are also heavy with food cooked long ago. Next to the mother's bed, crowded on a small table, is the pantry: a bottle of 7-Up, vaseline, ketchup, cough syrup, and a loaf of Silvercup bread. A family. This is home. It costs the city \$271.95 a week.

Down the hall, another family. The room is dark, but clean. Red blankets are pulled tightly over single beds. Three children sleep in one of these beds. The hot plate is clean. The mother cooks for 10 people on it. On one wall is a clock framed in gold plastic. The face of the clock has two pictures of Jesus. Below the clock, near the floor, is a large crevice. The mother complains that this is a rat hole. She is afraid for her children. They sleep with a light on to watch for the rat. The father adds that they also sleep in their clothes; they do not want to

be trapped in a fire. The father does not work. "I have to stay home to protect my family," he explains.

Two families living on welfare in the Broadway Central Hotel. One is trying. The other is no longer able. It does not matter. Life there is impossible. Impossible.

Representative Edward I. Koch, accompanied by members of Community Planning Board No. 2 and members of the press, conducted an inspection last Saturday of the Broadway Central Hotel. The death of seven-year-old Gerald Wilmore earlier in the week prompted the visit. The child, according to reports from tenants, was playing in a stairwell outside his fifth-floor room at 2 a.m. Moments later he was dead. He had fallen through the banister, down the funnel-like stairwell, five floors. His mother's room was two floors below. She was not home when the death occurred.

The death occurred on the Monday before the Congressman's visit. According to a source at the Urban Task Force office, the city's Human Resources Administration knew about the death the next day. The HRA, according to this source, ordered an inspection tour of the hotel last Thursday because of the death. But members of the press who accompanied the inspectors were not informed of the death. Maryanne McNellis of the Daily News complained over the phone: "No one said a damn thing about a death to us. We passed a banister on the fifth floor that was broken. But no one told us that a child had fallen from there." Congressman Koch suggested, "There is no question that the city would sweep all this under the rug if it could."

The Congressman moves slowly from room to room. He is obviously embarrassed about bothering the residents. He politely asks permission to enter their rooms. He reminds me of a doctor asking questions, gently probing. "Have there been any fires?" he asks one tenant. "Eight in one night last week," she explains. Softly he suggests, "You mean eight in one week?" She responds, "No, eight in one night." The Congressman is quiet for a few seconds. He says, not knowing what to say (what can he say), "Oh my gosh. Something has got to be done. Something has got to be done."

A fire door on the second floor is clearly labeled, "This door may save your life in case of fire." It is nailed shut. The Congressman points this out to Leo Tencer, the hotel manager. The manager brushes it off: "Oh, it's all right. The Fire Department knows about it." Minutes later a tenant complains, "If there is a fire in that part of the hotel, someone is going to die because of that locked door."

We pass the room where the five brothers and sisters of the dead Gerald Wilmore sleep. The children do not know where their mother is. Inside the room, a child sits inches away from a TV set staring directly into it. The picture is floating up and down, up and down. The child continues staring into it.

A woman shows us a large glass jar. She uses the jar, she explains, for chasing rats. She tells how earlier in the week she chased a rat the size of a kitten from under the refrigerator. Another woman in the room does not seem to notice the new people who have entered. She is sitting by a table, leaning her head against her heavy arm. During the 15 minutes we are in the room, she does not look up once.

Someone points out a broken light. The manager of the hotel grabs me because I am near. "A broken light, big deal," he says. "The problem with this hotel," he continues, "is that these kids don't have mothers. These kids are not disciplined. They are animals. All the mothers have lovers. They are all on dope. Last night a woman was taken from 5A because she OD'd. Who's watching her children now? No one talks about this."

One mother, Mrs. Inez Brown, tells the Congressman that she found an apartment last Friday on Staten Island. Five and a half rooms for \$200 a month. Mrs. Brown relates that a caseworker told her the family was not large enough to qualify for such a huge rent. She cannot take the apartment. She continues living in the Broadway Central. The city is being charged \$1600 a month for the two rooms, on two separate floors, that she now occupies with her four children. Later Koch charged, referring to the Staten Island apartment, that there were no federal or state regulations setting rent limits. "If there are restrictions they are of the city's own making," he said.

According to some tenants, nearly 200 of the children in the hotel do not go to school. They stay home all day. They play in the halls. They ride the elevators. Now they are excited by the presence of outsiders. They follow the press photographer. Every time the flashgun goes off, they giggle. Fascinated. They all want their pictures taken. The photographer agrees to snap a few. He asks them to pose. They do not know how. One of the children suggests, "Take a picture of us fighting." They all begin to fight. The camera flashes.

Billy Cool runs the hotel recreation room. Cool is not paid. He does the work because he "digs it." The recreation room is surrounded by a row of chairs. In the middle a table is filled with old magazines. I pick one up. It is Young Miss. Its lead article advises, "Get Set for Summer." In a corner of the room is a broken ping-pong table. Cool shows me a letter from the Presbyterian Church promising \$150. He explains how he is going to fix up the room. At one end of the room is a Christmas tree. The manager of the hotel points out that he donated the tree.

An older boy, certainly in his 20s, remarks, "A lot of these mothers are depressed. They don't have their man with them. The only thing they can do is get high. At least that way they can feel good for a little while."

Someone asked a boy of about 15 how he liked living in the hotel. He replied, "How can you ask me a question like that?"

"BANKS AND THE POOR" PROVES THE NEED FOR PUBLIC BROADCASTING

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, many educational channels around the Nation are still showing the excellent documentary, "The Banks and the Poor." This program, which originally appeared on television November 9, has done more than any other television production to explain the banking industry and its relationships to the public.

It is obvious that this show could not have been produced and shown without people in the Public Broadcasting Service and the National Education Television network who were willing to stand up to the pressures from the banking industry. In my mind the justification for support of public broadcasting centers around its willingness to face forthrightly controversial issues such as banking. Certainly "The Banks and The Poor" has justified the congressional support of the Corporation for Public Broadcasting.

The public comments made by bankers and officers of the American Bankers As-

sociation make it plain that the banking industry is highly displeased with PBS's exposition of its problems and shortcomings. In some areas, the banks placed direct pressure on stations in an effort to prevent the program from being shown to the public. Some of the comments that have been made since have displayed an irrational and bitter anger toward the producers of this excellent show. So it would not be surprising if some of these bankers—and their organizations—tried to lobby Congress against educational television and the Corporation for Public Broadcasting.

Mr. Speaker, I am convinced that any such efforts will be firmly rejected by the Congress. The "Banks and the Poor" illustrates the need for independent, noncommercial television, and this program should increase, not decrease, congressional support.

Mr. Speaker, the producer of this show, Morton Silverstein of New York, did a tremendous job in producing the documentary. It obviously took a great deal of creativity and hard work to illustrate on television the complex issues involved in banking. More important, the show obviously took a rare kind of courage. Mr. Silverstein is to be commended in the highest of terms and I only hope that his work on "The Banks and the Poor" will serve as an inspiration for other networks and producers who have shown a marked lack of both courage and imagination on economic issues.

Mr. Speaker, I place in the RECORD some recent reviews of "The Banks and the Poor":

[From the Detroit Free Press, Nov. 11, 1970]

"TOUGH, INFORMATIVE REPORT" ABOUT BANKS AND THE POOR

(By Bettelou Peterson)

"Banks and the Poor," on "Realities," (PBS, Monday) was the sort of tough, informative reporting that TV does too seldom. It was an hour that probably could have turned up only on public TV.

The commercial networks have never been noted for their probing in areas where sponsors might holler "foul." Bankers are good advertisers.

Producer-writer Morton Silverstein covered the entire catalog of money matters that concern the poor and dealt with banking's performance in three principal areas: housing, personal loans and consumer credit. The firms investigated ranged from a Goliath like the Chase Manhattan Bank to small local loan offices.

Banking performance, good and bad, in areas of social responsibility was documented. So was legislative response to new laws governing bank business. David Rockefeller, of the Chase, spoke, ably for the bankers. Rep. Wright Patman, chairman of the House Banking and Commerce Committee, covered some legislative problems.

The man foreclosing the mortgage or collecting the loan has been the classic villain for centuries. Yet, Silverstein was able to achieve a fair measure of balance in his report, though many of the questions raised were not answered.

Particularly knotty is the subject of legislative ethics. It was noted that nearly 100 congressmen have private interests in banks or in law firms with client banks. No accusations were made beyond noting that there was an appearance of conflict in disregard of a Congressional rule. The hour ended with an unreeling of the names of those legisla-

tors involved. (Two were from Michigan, Edward R. Hutchinson and Phillip E. Ruppe, both Republican.)

BEFORE "Banks and the Poor" went on the air, BPS was already under fire and ducking for cover. The Texas Bankers Association protested. One Texas station refused to carry the show. PBS advised stations that its legal counsel did not believe the list of names violated the FCC "personal attack" rule. (In any case, the list rolled by so fast it was virtually impossible to study it).

NET, the producer, showed the film to some of the bankers named several days ago and inserted some of their comments. Stations also were asked to send any complaints to NET where a study would be made to see if a follow-up program would be needed later.

Such extreme care would seem to show less courage than might be hoped from public TV. Sad to say, it comes under pressures quite similar to those of commercial TV. PBS is partly financed by Congress. Financial institutions have been large contributors to funding for non-commercial TV.

The reactions of Congress and banks, as well as the strength of public TV in upholding the program, may give the viewer an answer on the viability of public TV as a medium of public interest.

"Free play" followed on Channel 56, with another example of something public TV can and should do, something that commercial TV rarely touches. The hour was devoted to a play, "Smouldering," written by Detroit actress Bernice Avery, and performed by Outlet for Opportunity, a group formed to encourage and develop talent among the under-privileged.

Miss Avery's play was without the subtle nuances needed to better mirror real life, and the acting was rudimentary, with actors too obviously speaking lines, rather than feeling them.

Don Vest, as the husband caught between wife and mother, was the surest in his role. Vernet Smith, as the shrill wife, and Synovia Donder, as the vengeful mother, handled their single facet roles rather well. Dwight Garland and Larry Westcott were the son and his friend.

"Smouldering" was indeed an outlet for opportunity to say something via drama, to showcase local talent. Channel 56 should do more of the same.

[From the Pittsburgh Post-Gazette, Nov. 11, 1970]

CHANNEL 13 DUCKS CONTROVERSY

At five o'clock, just four hours before air time, the powers that be at WQED, Channel 13, decided the station would not pick up the Monday night NET Network program "Banks and the Poor." The decision was made by Lloyd Kaiser, president and general manager of the local NET outlet, after attending a preview at the current meeting of the National Association of Educational Broadcasters in Washington, D.C. The one-hour program, which drew favorable reviews in the New York Times and by the Associated Press, investigated the credit policies of commercial and savings and loan banks, pointing out how these policies ultimately affect the poor in the areas of housing, personal loans and consumer credit.

The program also cited the potential conflict of interest when a Congressman or Senator having bank holdings or directorships votes on banking legislation. It concluded with a list of 98 United States Senators and Congressmen in this category.

On this list were the names of four Western Pennsylvania Congressmen: William S. Moorhead (D-Allegheny Co.), Thomas E. Morgan (D-Fredericktown, Washington Co.), John P. Saylor (R-Cambria Co.) and J. Irving Whalley (R-Somerset Co.). Moorhead was specially noted as being a member of a com-

mittee "most pertinent to banking legislation," the Banking and Currency Committee.

Senator Hugh Scott (R-Pa.) was among four members in law firms representing banking clients.

"Bankers may have some legitimate reservations about the TV study of credit policies of the banking industry, but for the layman the program was a fine and laudable example of pinpointing crucial economic practices that require wide discussion. . . . Special kudos go to 'Banks and the Poor' for meeting head on the issue of conflict of interest in Congress. . . ."

If the WQED management isn't ashamed of itself for running scared, I at least, am ashamed for it.

Just prior to the preemption of the program on Monday night John Roberts, speaking for WQED, made a brief announcement to the effect that the NET show would be carried at a later date, when a more balanced presentation would be possible.

Yesterday a station spokesman explained that the management felt that the program backed objectivity as presented on NET. He stated that a local "answering program" locally oriented and designed to bring out "other aspects" of the case is being prepared. It will be run immediately following the delayed telecast of Monday's report.

No date has been set for this back-to-back telecast.

While there can be no question that local station management has not only the right, but the obligation to decide what will and will not be broadcast by the station, it seems to me that in this instance, particularly in consideration of all the advance publicity, "Banks and the Poor" should have been carried as advertised. The "answering program" could then have been carefully prepared and aired with attendant publicity at a later date.

As Jack Gould, of the Times, noted in his review carried in yesterday's late editions of should stop having the jitters. Morton Silverstein's documentary . . . was a job well worth doing for non-readers of the Wall Street Journal.

[From the San Francisco Examiner,
Nov. 9, 1970]

TROUBLE BREWING FOR TV BANK SHOW

NEW YORK.—A program to be aired tonight on about 180 TV stations raises two controversial issues affecting Congressmen and banking, and could lead to official protests.

One is whether Congressmen should be allowed to own bank stocks or serve as bank directors or consultants. The chairman of the ethics committee of the Association of the Bar of New York City Louis H. Loeb, contends Congressmen should divest themselves of all interest or affiliation with banks.

"BATTLE HYMN"

The other is whether the program, "Banks and the Poor," violates the Federal Communications Commission's rules against personal attack. The Texas Bankers Association has charged it does.

(The program will be seen at 9 tonight on KQED, Channel 9.)

The climax of the program, which generally charges that banks victimize the poor by discriminating in favor of the well-to-do in offering their services, shows a list of 124 senators and representatives with bank affiliations.

The list was furnished by Loeb's ethics committee. On the program, it is run to the tune of the "The Battle Hymn of the Republic."

The Public Broadcasting Service and National Educational Television network claim the program does not violate the personal attack rule, which requires TV stations contemplating a personal attack on anyone to

give him seven days notice and an opportunity to reply.

ROCKEFELLER

Yesterday PBS notified the 180 stations scheduled to carry the program of the possibility of official protests.

Chairman David Rockefeller of Chase Manhattan Bank in New York and Treasury Secretary David Kennedy also are involved in the dispute.

Rockefeller is shown on the program engaged in a debate with Rep. Wright Patman (D-Tex.), chairman of the House Banking Committee. He asked to see that part of the program in advance and was turned down.

NET said Kennedy refused to discuss with its reporter Patman's assertion that he still gets a \$5000 monthly pension from the Continental Illinois Bank, of which he formerly was chairman.

[From the Memphis Press-Scimitar, Nov. 10,
1970]

SHOCKING REVELATIONS ARE MADE ON NET'S "BANKS AND THE POOR"

(By Mary Ann Lee)

"The rich get richer and the poor get poorer," the song says. "Banks and the Poor," last night's "NET Realities" production on channel 10 was a revealing hour that showed some of the reasons "the poor get poorer."

The hour-long examining of credit policies was a public relations nightmare for the nation's banking institutions, exposing, among other uncomfortable matters, the role banks play in perpetuating slum conditions in ghetto areas. The documentary showed how savings and loan banks finance slum housing by lending to slumlords and speculators.

It also exposed how a well publicized plan to rebuild the Bedford-Stuyvesant area of New York—in which 80 banks promised to invest \$100 million—has only amounted, so far, to an \$8 million investment. The big hitch comes from the fact that the promised money is largely earmarked for single family dwellings, a commodity there is little call for in low income ghettos. Congressman Wright Patman of Texas, a long time critic of banking institutions, categorized the explanations of the Bedford-Stuyvesant stall by the Chase-Manhattan Bank's David Rockefeller as "hogwash."

One of the most shocking revelations of the program came as Bess Myerson Grant, New York's Consumer Affairs commissioner, explained the "Holder in Due Course" doctrine. Under this doctrine—which exists in 45 of the 50 states—a consumer who buys on credit from a retail company or home repairs contractor may find that his debt has been sold to a bank.

The buyer then owes the bank the money, not the original creditor, and the debt is legal even if merchandise is never delivered, home repairs are shoddy or the merchandise is faulty. The bank has no responsibility to make good on the retailer or contractor's bargain. The consumer is left in the lurch.

Although statistics show that 95 per cent of all borrowers, including poor ones, pay back their debts, banks are reluctant to loan money to poor people. The only recourse is to borrow from finance companies which, in some states, can charge a maximum annual interest rate of 36 per cent on small loans. Although banks don't like to lend money to the poor, the program charged that they liberally lend money to the high interest finance companies to which the poor must turn for loans.

Informative and, by its very nature, highly controversial, the program was an unusually brave piece of reporting. Producer Morton Silverstein stepped on some highly-placed toes in his effort to pore light into some dark corners of society.

The program, which focused on the con-

lict of interest faced by senators and congressmen who have banking connections, showed the names of all such elected officials. Sen. Howard Baker of Tennessee was listed among the senators who serve on the board of directors of a bank.

[From the Houston Chronicle, November 10,
1970]

PBS' "REALITIES" SNAPS AT BANKING GIANTS (By Ann Hodges)

Well, what do you know—fearless investigative reporting on TV isn't entirely dead after all. It came out from wherever it's been hiding Monday night on Ch. 8 and PBS with a snap at the heels of such mighty giants as the Chase Manhattan Bank, savings and loan associations and some legislative gentlemen on Capitol Hill.

With its Realities report on "Banks and the Poor," PBS has stirred up the hornet. Indeed, the buzzing began even before the show, some of it in the form of protest from the Texas Bankers Assn. PBS stations in Lubbock and Austin-San Antonio decided not to run it at all.

Happily, Houston stuck to the schedule. Ch. 8 did add a local disclaimer, pointing out that two of the six situations examined cannot happen in Texas, namely garnishment or attachment of wages and forced sale of a person's home to satisfy default on a loan payment. The station also announced that local bankers will have equal time to refute or answer any PBS charges they consider unfair.

The date of that program has not been set, but it is a wise move of Ch. 8 to provide the time. The documentary was a sharp and provocative indictment that banking institutions have failed to meet the needs of low-income America, in specific details—naming names, addresses and cases.

The editing was slick and pointed to support the show's charges, with music, careful placement of participants statements and even TV commercials extolling the contributions of big money institutions, counterbalanced by scenes of slum dwellers and consumers hounded by creditors.

One of the most effective sections was a combined playback of separate plain-talk interviews with chairman David Rockefeller of Chase Manhattan Bank and Rep. Wright Patman, D-Texas, chairman of the House Banking Committee.

"Chase Manhattan has millions for gambling casinos and only pennies for the poor," said Patman.

"I understand he (Patman) was turned down once by one of his Texas banks, and he hasn't felt very kindly towards banks since then," said Rockefeller.

Hidden cameras were used to illustrate loan practices; and another sequence showed how a Philadelphia bank was the object of a street demonstration after alleged insulting harassment of delinquent debtors.

All of it was businesslike and hard-hitting, and while the producers were plainly on the side of the poor, the financiers did get a chance to be heard, too.

Among their spokesmen was Houston's Nat Rogers, president of First City National Bank and immediate past president of the American Bankers Assn. He noted that finance companies are legitimate business and banks serve them as such. "They fill a special niche in the financial community, though we have seen important advances in small loans in banking in the past 20 years."

At the end, there was roll call of 98 senators and congressmen who, as shareholders or directors of banking institutions, have disregarded a congressional rule prohibiting voting on legislation when there is a conflict of interest.

Finally there were suggestions for possible remedies. Judging from the disturbing TV hour, remedies are indeed in order.

[From the Memphis Commercial Appeal, Nov. 11, 1970]

TV TAKES A STERN LOOK AT BANKERS

(By Larry Williams)

Just as satire is not serving its purpose when it fails to needle and cause anger, a documentary is nothing when it fails to arouse.

Just how much the Realities documentary, "The Banks and the Poor," got under a lot of skin, no one at this point seems to know. Channel 10 here had received only one phone call yesterday in response to the show, this from a man who cheered and asked for others like it.

Some television stations didn't even run the documentary for fear it would make bankers mad. But, thank all that's holy, Channel 10 didn't take that route. It occasionally has in the past, unfortunately, and that should stop.

I sat amazed as Morton Silverstein's documentary rolled on the screen. It pinpointed economic practices that should be discussed openly and brought to the attention of as many people as possible. It did so without hedging or copping out.

"The Banks and the Poor" explored the job of the banking industry in aiding low-cost public housing and it did so mostly in the form of statements of Representative Wright Patman (D-Texas) and David Rockefeller, chairman of the Chase Manhattan Bank.

Rockefeller, of course, defended the bank industry and drew the ire of Patman, the chairman of the House Banking and Currency Committee. There was more than just talk. Silverstein effectively intermingled shots of a luxurious gambling resort in the Bahamas—for which Chase Manhattan arranged the financing—with terribly depressing ones of ghettos and the shocking conditions there.

What is more, he documented the role of the banks in lending money to finance companies which charge unbelievably high interest rates to poor people. The banks turn down these same people for loans, the documentary pointed out. It stressed that there is nothing illegal about this, but it left no doubt that the situation should be relieved.

Louis M. Loeb, chairman of the Ethics Committee of the New York City Bar Association, said certain members of Congress are either officers of banks or represent them as attorneys and that "it isn't relevant that the members of Congress may not have voted for their personal interests. Such a possibility should never even be allowed to exist in the public mind."

The program ran off the names of senators and representatives who have bank connections and have voted on legislation pertaining to them. The names were run off too fast; this is my big complaint about the show. Each name (and the list was lengthy) should have been in focus for at least five seconds before a new one appeared.

Perhaps the most effective portion of the show dealt with the practice of unscrupulous businessmen contracting to perform a service they never intend to carry out, selling the contract to a bank, skipping town, and then the bank insisting on payment for a service never rendered. It is termed the "holder in due course" doctrine.

It is legal in 45 states, but is it ethical? The show left little doubt that the banks could move to stop this on their own initiative before Congress does it for them. It was after this portion that the list of senators and representatives with bank connections was run off.

The powerful banking lobby was touched on, too.

I'm sure many bankers are unhappy with television after this fine bit of reporting. Since they use TV for many commercials

about chummy, altruistic banks, perhaps their answer is forthcoming in this medium.

One thing is for sure: Everyone, not just bankers, is interested in money. It's a good subject for TV.

"The Banks and the Poor" is a documentary that deserves—indeed, demands—repeating. I hope Channel 10 will get around to it.

And I hope Channel 10 also will keep the lines open on controversial shows. I understand this documentary was shown to a group of Memphis bankers before it went on the air. It makes you wonder. If the bankers had raised enough sand, would Channel 10 have refused to carry the show?

As for the documentary reaching a lot of people, there is this encouraging note. The most recent audience survey for Channel 10 shows that it has improved its rating by 158 per cent over a year ago, the largest path in the nation.

[From the Buffalo Courier Express, Nov. 15, 1970]

FRONTIER FOCUS

A great fuss has been raised over the documentary, "The Banks and the Poor," a production of the Public Broadcasting Service to be repeated on "Realities" at 7 tonight on Ch. 17.

It seems to the public TV stations fear protests from legislators named as bank directors, associated with law firms having bank clients, or as having financial holdings in banks. It would be difficult to find a lawyer-legislator outside these categories.

But even more foolish is the stations' fear of reprisals for saying in the program that it is more difficult for a poor man to get a bank loan than a rich one. So what else is new?

[From the Texas Observer, Nov. 27, 1970]

BANKS AND BROADCASTING

AUSTIN.—On Mon., Nov. 9, the National Educational Television network aired the fifth program in its Realities series. The program, titled "The Banks and the Poor," appeared on only two of the five N.E.T. outlets in Texas.

Stations KUHT in Houston and KERA in Dallas showed the hour documentary, which runs down the relation between banks and slumlords, between banks and loan sharks and between banks and consumer credit practices that are particularly burdensome to the poor.

The program was not seen on channels KLRN in Austin and San Antonio, KAMU in College Station, nor KTXN in Lubbock. All three stations had aired the previous segments of the Realities series.

About one-week before the program was scheduled to appear, the executive vice-president of the Texas Bankers Association, Sam O. Kimberlin, Jr., sent a letter to all five N.E.T. outlets in the state. The letter stated that the association believed the program to be inaccurate and biased against bankers. The letter did not, however, request that the program not be aired and in fact carefully avoided making any such suggestion. It did however suggest that the boards of the stations be called together to preview the show and decide for themselves whether or not it was fair.

In Dallas, station manager Larry Welles said KERA received several calls of inquiry about the show before it appeared from local bankers and one letter from a local bank. He said all the callers and the letter writer believed that the show was biased against bankers. None of them had seen the show. Welles, who works in a town which is widely considered to be an oligarchy run by bankers, said he felt there was no pressure on him not to air the show and that there were no implied threats in the calls he received. He said station personnel previewed

the program carefully and stood ready to offer the bankers equal time to present their point of view if they wished it.

One irony in the Dallas situation: the same day that the T.B.A. sent out its letter on "Banks and the Poor," KERA sent a letter out to members of the Dallas banking community asking them to support the station. Welles said he believed the bankers in Dallas had behaved more than fairly about the program.

In Houston, Nat Rogers, an officer of the American Bankers Association and president of First City National Bank of Houston, who appears in the documentary to defend the bankers' role, made what seems to have been the most intelligent response to the program. Rogers and several other Houston bankers did ask KUHT if they could preview the program, but when they came to the station to do so, they brought several representatives of Houston's poor with them. Staffers from O.E.O. and the Houston Legal Foundation came with the bankers and participated in the discussion after the preview.

Station manager Jim Bowers said there was never the slightest suggestion from the bankers that the program not be aired. The station offered the bankers equal time but they have not yet decided whether they will take it.

Rogers said, "The only real complaint I have is that the program tarred the bankers and the savings and loan people with the same brush. But we're accustomed to oversimplification. When people see the contrasts we have in this country between great wealth and great poverty, they're apt to think that the banks, with their great wealth, could solve the problem. And of course it's just not that simple."

At KTXN in Lubbock, program director John Hanson said the station's decision not to air the show was made even before Kimberlin's letter arrived at the station and was made only by station personnel. According to Hanson, Lubbock bankers did not contact the station about the program but KTXN did ask five local bankers in to preview the program.

"We felt the program was somewhat biased and didn't go into depth on Texas banks. You know that some of the problems treated in the program, such as garnishment of wages and the power to claim and sell a house for a defaulted debt, simply do not apply in this state."

Hanson said the decision not to show the program was made solely by himself and by his boss, D. M. McElroy. McElroy was formerly assistant comptroller (business manager) of Texas Tech.

There was no indication that outside bankers intervened directly at KAMU at College Station. Norman Godwin, program director, said the decision not to air the program was made by with the counsel of the university's administration and specifically with the counsel of Frank Hubert. Hubert is dean of the College of Education at A & M and as such is directly responsible for the educational television station. However, Hubert is also on the board of directors of the Bank of A & M at College Station.

At station KLRN, which serves with Austin and San Antonio, the situation is less clear. The station's general manager and president Robert Schenkkan said that the program has been "temporarily cancelled."

"Pressure is not the question at stake here," he said.

The station has offered the bankers three alternatives: a short time after the program for response, a 30-minute spot the following week, or an hour spot the following week.

KLRN previewed the program for two T.B.A. officials in Austin and for a group of bankers in San Antonio. According to station sources other than Schenkkan, Schenk-

kan spent quite a bit of time after the pre-view convincing the bankers that it would be very bad public relations if they were to insist that the program not be shown at all, that it would, in effect, be an admission of guilt.

The original plan at KLRN was to have a meeting of the stations board of trustees to decide on whether to air the program. The meeting had not been held as of Monday. Four of the 36 members of the board are officers of banks including Howard Cox, the board vice-chairman, who is also vice-chairman of the board of Capitol National Bank. Several other board members are big businessmen who deal with banks regularly. Nine banking and financial institutions contribute to KLRN, which, like most N.E.T. outlets, is in financial straits.

None of the N.E.T. outlets reported hearing from any of the states U.S. representatives. Several of them appear on the program.

Wright Patman, that crusty old bugbear of the bankers, is naturally featured. Interviews with Patman and David Rockefeller, chairman of the board of Chase Manhattan Bank, are neatly interspersed so that they appear to be rebutting one another.

Five Texan congressmen are featured on an un-honor roll toward the end of the program: a list of congressmen who either have bank holdings or are bank directors and who have violated the House rule by taking part in votes on banking legislation. They are Jack Brooks, Bob Casey, J. J. Pickle, Ray Roberts, and Omar Burleson. Burleson, lucky fellow, got a star after his name on the list because he sits on a committee which is pertinent to banking legislation.

Schenkkan told *The Daily Texan* that he considered the list unfair since it makes no distinction as to whether the men voted for or against banking interests in the roll calls in which they participated. The House rule makes no distinction either.

It is difficult to judge the fairness of the documentary according to the Federal Communication Commissions fairness doctrine, which is death to investigative reporting. Strictly interpreted, the doctrine would require a documentary on air pollution to spend half its time on why air pollution is good for people. "Banks and the Poor" is an investigation into oppressive banking practices. It does not spend half its time dwelling on all the worthy and charitable endeavors of bankers.

[From the Roanoke Times, Nov. 14, 1970]

ETV STATIONS SHOULDN'T BLACK OUT HARD-HITTING INVESTIGATIVE REPORTING

We were disappointed to learn that the Central Virginia Educational Television Corp. chose not to air a recent documentary film entitled "Banks and the Poor."

In our view, Richmond's publicly supported station is guilty of gross negligence of its responsibility to viewers. (Roanoke and Norfolk ETV stations ran the program despite adverse background pressure from elements of the banking community.)

The program, as its title implies, deals with the relationship between the American banking industry and the nation's poor—particularly in the areas of personal loans, consumer credit and slum housing. The industry's reluctance to finance low-cost housing and to make personal loans to the poor—often forcing the needy to borrow from other sources at high interest—was made very clear. So were bankers' ties to congressmen.

Banks are in business to make money, of course, and their reluctance to invest in high-risk ventures is completely understandable in that context. The banks' point of view was given considerable time in the program.

The important point about the program, however, is that—so far as has been deter-

mined—it contained nothing that is not true. It simply was made to appear that altruism is not among the industry's most prominent characteristics. And on that point, there is really little basis for debate.

Nor has the industry, so far as we know, claimed that the show was inaccurate. The principal objection apparently is to the program's dramatic techniques. As an example, shots of slum housing or other poverty conditions frequently were shown in sharp contrast with views of bank-financed affluence.

The dramatic impact of the technique is obvious, and perhaps industry spokesmen are right in saying that it portrayed banking unfairly. If that is the case—and the matter is under study by the Public Broadcasting Service—then the banks ought to receive time for rebuttal.

But at not time should serious investigative reporting be withheld from the air waves simply because its dramatic techniques are held by some to be objectionable. Accuracy ought to be the sole determining factor on whether a show is aired.

One of public television's strongest points is that it—unlike commercial television, which depends on advertising and at times has catered to the prejudices of its sponsor—can freely indulge in responsible muckraking. If public television bends to the pressures of government, private backers or powerful interests such as the banking community the way commercial TV too often bends to the whims of its advertisers, then it becomes a useless and innocuous medium.

In preparing programs like "Banks and the Poor," public television does a job that commercial network news departments largely leave undone. As such, public television discharges a vital responsibility to its viewers—and it is up to regional ETV stations to help in carrying out that responsibility.

[From Variety, Nov. 11, 1970]

BANKS AND THE POOR—REALITIES

Exec. Producer: A. H. Perlmutter; Producer-Writer: Morton Silverstein; 60 Mins., Mon., 9 p.m.; PBS (via NET).

Producer Mort Silverstein ("What Harvest for the Reaper?," "The Poor Pay More," "Justice and the Poor") has created enough telemetry hours to stage a festival on economic oppression.

And that's not a bad idea for public television in years to come, once it is wrested from the clutches of Congress and their bureaucratic sisters of the system. Anyhow, in this latest effort, Silverstein showed himself an experienced master of this kind of expose. With considerable imagination and technical skill, Silverstein—and researcher Carol Anshien and editor Larry Solomon—left no loopholes for legitimate screaming by the bankers and solons who were the principal marks of this muckraker.

For example, David Rockefeller, chairman of the mighty Chase Manhattan, was given ample air time to defend the credit policy of his institution, especially its sorry record of social responsibility in the ghettos. But, as his arguments were cut back and forth with crusty Rep. Wright Patman, chairman of the House Committee on Banking and Currency, and as they followed the plushy and unctuous Chase Manhattan TV blurb on the bank's good works in the ghetto, Rockefeller's case suffered audibly and visibly from lack of co-geny. The same applied to stiff and proper spokesmen for the American Banking Assn. and the First Pennsylvania Bank of Philadelphia, which was scored for its brutally rude collection policies among the poor. Beads of perspiration are a telling video prop.

All this explaining away was submerged in clear and vital statistics and apparently far more deeply involved spokesmen on the other side, not to mention the emotional impact of the view from the poor themselves.

To the trade, this was an excellent example of how to lay in an appearance of

balance while making your editorial points, the hard moral being: there are not two sides to every story, but almost always people on two sides of every story.

Even if it shivered the staves of that oozing Washington public tv pork barrel, it was inspired viewing to see the names of all those PTV Senate and Congressional bankrollers listed as having bank connections and scored for, shall we say, possible unethical practices.

BILL.

[From Newsday, Nov. 12, 1970]

THE OTHER SIDE OF BANKING

(By Marvin Kitman)

Anyone who watches television commercials gets the impression that bankers are benign, kindly, humane, helpful men, someplace between doctors and social workers in the range of professionals who want to be our friends. Nothing seems to make bankers happier than giving away wonderful presents for the privilege of watching our money.

I can hardly remember the old days, when bankers had a reputation for committing a lot of unfriendly acts. There was a song, a kind of commercial during the depression, which began: "The banks are made of marble/There's a guard at every door/The vaults are filled with silver/That the workers sweated for." It was very popular around the foreclosure courts.

It always gave me a sense of joy and wonderment that the evil and rapacious banker had reformed, had seen the light and was now the friend of the poor, regardless of how much money he earned. Earlier this week the Public Broadcasting Service came along with a documentary titled "Banks and the Poor"—it will be repeated on Ch. 13 Saturday at 3 PM—which suggests that it has all been an illusion.

David Rockefeller and Friends at the Chase Manhattan Bank, for example, are into helping slumlords milk properties and are out of low-income housing. What really excites the fiduciary department is not rebuilding Bedford-Stuyvesant, as the commercials lead one to believe, but building gambling casinos in the Bahamas. Well, tourists, gamblers and resort owners are people, too, and if Chase Manhattan didn't help them, some other bank would.

Then Morton Silverstein's documentary revealed that a lot of self-respecting banks and savings and loan associations are financing the finance companies, like Beneficial, which lend money to the same poor people whom the banks turn away as bad credit risks. They also are the money men supporting the home-improvement companies, which have been known to fleece their customers.

Silverstein makes the bankers sound like ordinary businessmen with recognizably human faults, such as greed, close-fistedness, untrustworthiness, and a poorly developed sense of social consciousness. Nobody I would want as a friend.

The first fellow to be dropped from my circle is David Rockefeller. A man of whom it has been said that he is so rich that he keeps his Swiss money in American banks, Rockefeller appears in the documentary as an affable friend of the absentee owner, a euphemism for slumlord. But he is a rather bland villain.

Rockefeller seems bemused by all the interest paid to the activities of bankers by men like Rep. Wright Patman (D-Tex.), the friend of the poor in the House banking establishment. He suggests that Patman's interest in the subject stems from his once being turned down by a Texas bank for a loan. Patman, in another interview, denies the charge. It was a very mild bit of character assassination, considering what could have been said.

Equally interesting is the list of congressmen and senators which concludes the show. These are the 123 legislators Silverstein

claimed had bank holdings, served as bank directors or belonged to law firms with bank clients.

I certainly don't want to be the one to defend bankers or congressmen. What impressed me about the list, however, was the great number of men who are not personally involved in an industry which they regulate. The running of a list of names like this is sometimes more formidable than meaningful. The implication of the list is that the representatives and senators are in the pockets of the banking industry; but who is to say that the legislators don't have the banks in their pockets? "Banks and the Poor" makes the mistake of assuming that there is something unethical about conflict of interest today.

The best that can be said for the list is that 123 of our representatives in Washington must be very familiar with the banking business. Because of this familiarity, the hope is that they will someday have suggestions for making banking a more positive voice in society.

[From the New Republic, Nov. 28, 1970]

POTTED PLANTS, PADDED BANKS

But NET's interests extend far beyond How To Do It—even into How Not To Do It, which might well be the subtitle of its new documentary, "Banks and the Poor." This program is powerful stuff—imagine Public Broadcasting attacking Fortress Money, exposing the failure of financial institutions to help the ghetto poor. It was shown in most areas in the second week of November on the PBS network, but because of its controversial nature PBS warned its 198 affiliate stations to stand ready for protests. Sure enough the Texas Bankers Association turned on the protest pressure before broadcast time, causing one of the five Texas educational stations to decline to carry the program, another to postpone it. Just how many other stations refused to air it won't be known for several weeks. NET's counsel advised the stations that the program did not, in their opinion, violate the "personal-attack" provision of the rules of the Federal Communications Commission—but many stations doubtless have other advisors. And what is the furor about?

House Banking and Currency Chairman Rep. Wright Patman and David Rockefeller of Chase Manhattan set the tone for the show, dueling with each other smartly. "Chase Manhattan has millions of dollars for gambling casinos but only comparative to pennies [sic] for housing for the poor," charges Rep. Patman. Rockefeller suggests that Patman "was once turned down for some loan that he tried to make in his local Texas bank, and he seems to have taken a rather dim view of bankers ever since." Yet as "Banks and the Poor" reveals, there are plenty of other good reasons for one to take a dim view of bankers.

For example, the alliance—inadvertent or not—between banks and high-interest loan companies. In Washington, D.C., banks often turn down low income applicants who could have been charged only eight percent, forcing them to deal with loan companies across the Maryland state line, where the maximum legal rate for a small loan is 36 percent. Who lends the loan companies the money to run their blood-draining business? The bank that turned down the low income applicant in the first place.

Or there's the Sheriff's sale, dramatically filmed by NET, during which the homes of the poor are sold because of defaulted consumer debts. Since banks are large buyers of installment contracts, they stand as the impersonal machine behind the confiscation of homes in many cities. A Philadelphia woman uses her home as collateral to co-sign an auto loan for her brother, who then falls

behind in his payments. Her house is put on the auction block, even though only \$157.69 is owed on the original automobile debt.

The program suffers somewhat from poor organization; also it doesn't always manage to reduce its complex subject to understandable form for the layman. Still, its flaws are more than offset by its boldness. "Banks and the Poor" winds up by showing the names of nearly 150 members of the US Senate and the House of Representatives who either have financial holdings in banks, serve as bank directors or are associated with law firms having bank clients. The list comes from the ethics committee of the New York City Bar Association, which has repeatedly, and without effect, called for Congressmen to divest themselves of such interests so as to remove the taint of conflict of interests. I wouldn't be surprised if some of those interests now called on PBS to divest itself of its missionary spirit, but the spirit, and Morton Silverstein's production, are grand.

[From the Boston Globe, Nov. 10, 1970]

"BANKS AND THE POOR"—DOCUMENTARY ON BANKS AND POVERTY

(By Percy Shain)

It began and ended most agreeably and deceptively with a line of scantily clad chorus girls singing about the virtues of "Money," led by a young-looking Ginger Rogers, as clipped from a 1930 movie musical.

But in between was as savage and hard-hitting a documentary on banking abuses as has ever hit the television screen. In raking banks and bankers over the coals for their alleged deficiencies in neglecting the poor, the program spread its shots over the whole finance field, including home improvement frauds, and even the activities of Washington lobbyists and the links between congressmen and the banking industry that perpetuate inequitable conditions.

This "Realities" expose on PBS last night did not hesitate to name names of the very rich and influential who have sanctioned or indulged in these tactics and, in fact, listed at the end a roll-call of all senators and representatives who have bank directorships or other ties with the industry they are called on to consider legislation about.

The main burden of producer-writer Morton Silverstein's theme was the pitiful "pennies"—as he put it—that trickle down to the poor for low-income housing as compared to the millions that go to the slumlords to perpetuate ghetto conditions, as well as to the luxury resorts where a handsome return is assured on the investment.

He cited impressive statistics, including the Savings and Loan Assns., with assets of \$170 billion "which are devoting" a fraction over zero percent to low-income homes; the \$100 million pledge by 80 participating banks to redevelop New York's Bedford-Stuyvesant section, which somehow dwindled to \$8 million.

But, more than that, he portrayed in personal terms the human suffering caused by bank turn-downs when the poor, in desperation, have to go to loan sharks, charging "usurious rates of interest," who get their money from the same banks, that rejected the original applications.

Many of the most damaging charges came from Rep. Wright Patman (D-Tex.), chairman of the House Banking and Currency Committee, who engaged in dialogue—via alternating scenes—with David Rockefeller, president of the Chase Manhattan Bank, second largest of the world.

New York City Comr. of Consumer Affairs Bess Myerson Grant also had some choice words of denunciation regarding the "due course doctrine" that forces buyers to pay in full for defective merchandise, as hidden cameras recorded typical transactions in which promises were never kept.

The contrast of promises vs. deeds, as

expressed in the TV commercials shown in juxtaposition with the realities, also told its own damning story in an atmosphere tinged with sarcasm.

Silverstein has staked out a juicy area for himself, as shown in previous documentaries on "The Poor Pay More," "Justice and the Poor" and "What Harvest for the Reaper?" His type of indignant, finger-pointing muck-raking is much needed as a salubrious factor in a sensitive area.

[From the Village Voice, Nov. 19, 1970]

ARE YOU THERE, MR. SULZBERGER?

"Banks and the Poor," an NET documentary shown on Channel 13 on November 9 is a prime example of the kind and quality of investigating reporting that has all but disappeared from the commercial networks. (Can you imagine Mike Wallace or Harry Reasoner saying this: ". . . The total assets of savings and loan associations have grown to \$169,630 million. These banks are required under federal charter to provide for the financing of homes, to be a main resource for a community's housing funds. But of the \$169 billion plus assets, the best estimate by the House Banking and Currency Committee is that only a fraction over zero per cent has gone toward the financing of low income housing.")

Or this—"Compounding this figure is the charge by a Congressional ad hoc subcommittee that money is lent instead to slum speculators, and that many slums are perpetuated by Savings and Loan Associations through their financing of absentee owners—in this case a euphemism for slumlords."

There was a lot more, much of it harsher, all of it documented. Many of those who watched the program, by the way, are likely to see David Rockefeller in quite a changed perspective from now on. I mean those middle-class liberals who previously had more or less bought the Rockefeller line that his end of the banking business was now attached to the social gospel.)

I was glad to see that the program received the space and credit it merited in newspaper reviews by Jack Gould in the Times and Kay Gardella in the Daily News. But it might have occurred to Mr. Gould to question why this subject has been so little explored in the daily press as well as on commercial television. Specifically in the New York Times. With such first-rate investigative reporters as Richard Severo, Earl Caldwell, Homer Bigart, Nick Gage, Steven Roberts, Martin Arnold, and others, the Times should long ago have pursued this subject in depth. But the program, I expect, was as much a revelation for Times readers as for the rest of the populace.

My unsolicited suggestion to Arthur Ochs Sulzberger is that he ponder this, and that he also obtain a copy of a new Doubleday book, "The Pentagon Watchers: Students Report on the National Security State." A team of graduate students—going through the public record and interviewing at the Pentagon, the State Department, and in "defense" industries—have compiled an extraordinary and frightening amount of information, all of it scrupulously documented, little of it made known in anything like this degree of detail and perspective to Times readers. What does that Times Washington bureau do?

[From the New York Daily News, Nov. 10, 1970]

BANKING PRACTICES PROBED ON CHANNEL 13

(By Kay Gardella)

"Banks and the Poor," the controversial one-hour documentary seen on National Educational Television's Realities program last night, was shown on all but one of the 180 ETV stations throughout the country and that one, partner, was in Texas. It was seen

here on Channel 13. The noncommercial outlet that elected not to take the program was in Lubbock, so one can only hope that money is no major issue in the Lone Star State.

But money and banking procedures are burning issues with everyone else today, which is what makes the Mort Silverstein-produced hour a serviceable, informative and challenging documentary that brought to light some questionable practices in our current banking system. These may be elementary to students of banking, but not to the average viewer.

TOOK NO CHANCES

How, the question arises, does one make such an intangible topic dramatically interesting and exciting? Well, let's first admit the subject alone always gets a rise out of someone but Silverstein took no chances. He, somehow through the use of hidden cameras, interviews and on-location films of some of our major slum areas in New York City (Bedford-Stuyvesant), North Philadelphia and Washington, D.C., gave a visible life to the subject matter, even to the point of opening with Ginger Rogers in an old Busby Berkeley musical, singing "We're in the Money."

Four major aspects of banking were focused on during the hour. One involved the credit policy of our banks and how frequently the very poor are forced to do business with high interest loan associations for help because they've been turned down at their local banks. Another dealt with credit made available for low-income housing and redevelopment of slum areas.

The program used as its example the \$100 million promised by a group of 80 banks, including Chase Manhattan, to refurbish the Bedford-Stuyvesant area, the mortgage lending pool, as it developed, has only parted with \$8 million and Chase Manhattan, which the program said had been most vocal in its concern for rehabilitation, shelled out a mere \$700,000.

In addition, the hour pointed out, the pool won't affect 80% of the families in Bedford-Stuyvesant, since it is restricted to houses of four families or less.

Banks' contributions to perpetuating slum conditions was stressed. The program pointed out that they are not making money available for low-income housing when \$169 billion plus are the total assets of our savings and loan associations, which are required by federal charter to provide for the financing of homes. "Only a fraction over zero percent has gone toward the financing of low income housing," said narrator Philip Sterling.

ABSENTEE OWNERS

Too, the program said, compounding this figure is the charge by a congressional ad hoc subcommittee, headed by Rep. Wright Patman (D-Texas), that money is lent instead to slum speculators, and that many slums are perpetuated through the financing of absentee owners, or slumlords.

The banks, as the "holder in due course," was another target of the program. As anyone who has purchased on time knows, an outfit that you've done business with can sell your contract to the bank and you then are indebted to the bank, not the company. The problem with this system, of course, is that your purchased merchandise can be delivered in faulty or damaged condition and you then have no recourse, since the bank is not responsible.

POSSIBLE CONFLICT

A final aspect of the program, and one we question, dealt with the possible conflict of interest that might arise with legislators who are shareholders or directors of banks. Listed were 124 senators and House members. The segment has been challenged by the Texas Bankers Association, which

said it violated the personal attack rules of the Federal Communications Commission.

Whether it did or didn't, we do not think this segment was developed fully enough to have the impact the show intended. It did raise the question, but answers are necessary, too, when we're walking on such thin ground. Examples were certain legislation may have been passed because of this would have helped.

Among those interviewed on the hour were David Rockefeller, who defended the credit policy of the banking industry, and New York City Consumer Affairs Commissioner Bess Myerson Grant, who advocates changing state laws to eliminate the "holder in due course" doctrine.

[From the New York Post, Nov. 10, 1970]

ON THE AIR

(By Bob Williams)

The government-supported, sponsor-free medium of public TV took a promising step forward on Ch. 13 here last night with a documentary examination of Banks and The Poor, amid prospects of considerable protests from the financial community.

Morton Silverstein's rundown on the money business left a viewer with the impression that the big banks simply don't deal with the poor, but divert them to loan outfits at outrageous interest rates, while financing the loan outfits and cutting down on the basic small bookkeeping work.

As noted yesterday, the documentary unrevealed the names of scores of Congressmen and Senators with banking interests, who somehow blithely vote on financial measures without regard for conflict of interest considerations. The roll-call, provided by the Assn. of the Bar of the City of New York, rolled too fast probably for viewer identification of the legislators.

The documentary, it seemed here, hit its major point in disclosing easy bank (and saving and loan association) credit to slumlords and no credit whatever to poor tenants.

The program aimed an eye at the financial community's much-publicized \$100 million interest in the restoration of Brooklyn's Bedford-Stuyvesant ghetto. Chase Manhattan's David Rockefeller conceded that only \$700,000 had actually "gone out" toward the social project against a \$5,000,000 commitment by his bank. For local viewers, the program didn't sufficiently investigate the Bedford-Stuyvesant project.

Public TV or NET or whatever the commercial-free homescreen medium wants to call itself has merely started to unveil the money business for everybody to see. Further investigation would be in order.

[From the Louisville Courier-Journal, Nov. 10, 1970]

KET HANDLES TOUGH DECISION WELL

(By James Doussard)

When the program topic is "Salad Nicoise" and involves following Julia Child around a market in Nice and into her kitchen, the noncommercial broadcaster offered it by the Public Broadcasting Service network doesn't face much of a decision.

If he carries it, reaction probably will be so small it passes unnoticed; if he carries something else, only a loyal few fans will squawk. ("French Chef," 8 p.m. Wednesday, PBS-15 and KET).

The "carry or not-carry" decision becomes tougher when PBS offers more controversial fare—such as last night's "Banks and the Poor," a documentary sufficiently explosive that the network put out a special alert to member stations warning about the possibility of protest.

As on previous occasions, Kentucky's public broadcasters arrived at different decisions.

WKPC-15 in Louisville carried the program, preceded by a warning that the subject and treatment was controversial and did not necessarily reflect the viewpoint of the station.

The 13-station Kentucky Educational Television network was not scheduled to telecast the program until Wednesday night.

TO DELAY BROADCAST

Last week, after a closed-circuit preview of "Banks and the Poor" by staff members, members of an advisory committee on programming and representatives of both the banking industry and the poor, KET's executive director, O. Leonard Press, decided to delay the telecast until "sometime in January" and until a companion "mini-documentary" can be prepared to:

"Report what is actually being done in Kentucky toward alleviating the very real problems raised in the original 'Realities' program.

"Ask representatives of the advisory group to comment on the more serious emotive distortions in the original production."

Those who previewed the program seemed to agree that it "was guilty of a number of presentational sins, such as distortion; oversimplification and insufficient research by the producers," Press said.

At the same time, there was "near unanimity that much of the information presented in the program was important, substantially accurate, and that it should be broadcast," he added.

While both decisions are sound, the KET approach is the better.

Were Channel 15 completely into its new quarters and thus able to take on such a project as a complementary program, I feel certain it would have chosen a similar route.

The bright side of the Kentucky picture lies in the fact that neither outlet took the easy out of simply ignoring the program.

"Banks and the Poor" was the second program in the new "Realities" series that sparked controversy and found Channel 15 and KET emerging with different decisions.

"The Triumph of Christy Brown" on Oct. 12 contained a short scene in which the titled character's sister stripped to the waist unaware that the adolescent Christy was watching.

In context, the scene proved vital to the story of how the Irish writer overcame cerebral palsy. It was tastefully handled.

Channel 15 rejected the drama because of it; KET carried it.

No pattern of timidity on the part of one or the other Kentucky noncommercial broadcaster seems to be emerging.

One time a seemingly bold decision is being made by KET, another time by Channel 15. Good.

Public broadcasting is designed to offer viewers alternatives, both to commercial fare and within its own community.

[From the Louisville Times, Nov. 11, 1970]

CHANNEL 15 MAY HAVE BEEN HASTY IN CARRYING DOCUMENTARY ON BANKS

(By Howard Rosenberg)

The controversy surrounding the *National Educational Television (NET)* documentary, "Banks and the Poor," raises some fundamental questions:

Is it proper for documentaries to contain editorial comment?

Should NET programs be backstopped, when necessary and when possible, by public television stations?

The answer to both questions is yes. "Banks and the Poor," written and produced by Mort Silverstein, is a searing attack on the banking industry's dealings with the poor in housing, personal loans and consumer credit.

It also puts the crunch on members of Congress who have direct or indirect associa-

tions with the banking industry, something Silverstein obviously believes to be a conflict of interest.

DELAYED BY KET

Part of the NET "Realities" series, "Banks and the Poor" was carried Monday night on WKPC-TV, Channel 15. Its showing on the 13-station Kentucky Educational Television (KET) network, originally scheduled for tonight, was postponed until January.

Leonard Press, KET executive director, said the show will be presented then with companion data outlining "what is being done in Kentucky to alleviate the real problems" cited in the documentary.

"Banks and the Poor" has been criticized for being imbalanced.

If what is meant by imbalance is that Silverstein is trying to sell viewers a bill of goods, then the program certainly is imbalanced.

If by imbalance it is meant that the program was subjective, that Silverstein obviously feels that the banking industry is not living up to its "social responsibility toward the poor that, in fact, the poor are victimized by bankers, then the program was not balanced.

MUST HAVE LEARNED EARLY

But viewers must have been aware of all this before the program was five minutes old, so it was no wolf in sheep's clothing.

Moreover, Silverstein had every right to hard-sell a bill of goods. Documentaries without points of view usually are dull and ineffectual affairs.

Silverstein's sin, then, was not his soap-box, but the manner in which he sometimes presented his message, seemingly a blanket indictment of ALL of the banking industry, which he apparently feels is monolithic.

Furthermore, the program cited some instances of the banking industry's shoddy treatment of the poor which are not universally applicable. Regulations governing bank transactions vary from state to state.

So what should public television stations have done about "Banks and the Poor?" Should they have scrapped it because it has significant flaws? I don't think so. Should they have shown it "as is" with the knowledge that the bulk of it is well done and factual? That's not the answer, either.

KET took the correct approach in postponing the broadcast until it has time to prepare some Kentucky-oriented material elaborating on the original program.

Channel 15's decision to carry the program without elaboration—except for a disclaimer of the content—was ill-conceived.

At the end of the show, viewers were shown a list of representatives and senators alleged either to have financial holdings in banks, bank directorships or associations with law firms having banks as clients.

Among the 124 persons named were Kentucky Reps. Tim Lee Carter, Carl D. Perkins and John C. Watts.

Channel 15 should have solicited the comments of all three, if for no other reason than authentication of their bank associations. Hopefully, KET will do that in January.

[From the Baltimore Sun, Nov. 11, 1970]

"BANKS AND POOR" A SKILLFULLY EXECUTED DOCUMENTARY

(By Judy Bachrach)

If you didn't catch Channel 67's Realities Monday night, you owe it to yourself to see the repeat this Saturday at 5:30 P.M. If you were lucky enough to have watched it, a second viewing might help to make the formidable mound of information presented in this documentary easier to assimilate.

It was called "Banks and the Poor," which is not exactly a very snappy title, and for a moment there, your critic paled with dread at the prospect of 60 uninterrupted minutes

of well-intentioned drudgery that has been the hallmark of Realities this year. There is something so insidious about those well-intentioned amoebas: they spread out everywhere in all directions; they pussyfoot around all sorts of Social Injustices; and, worse of all, they bore you to tears.

But "Banks and the Poor" turned out to be a ruthless expose on the exploitation of the lower classes by certain savings and loan associations, and it was out for blood. It was not fair; it did not set out to give equal time to the men and institutions it attacked (although it pretended to) and it was unmercifully biased. It was also one of the most skillfully executed documentaries this critic has seen to date; there was a very special excitement intrinsic to every frame of footage that is peculiar to the evangelical form of art.

Writer-producer Morton Silverstein interviewed Representative Wright Patman (D., Texas), who expounded with evident relish on the very remunerative associations between many absentee landlords and the financial institutions that back their decaying tenements. He investigated, by means of a hidden camera, the unctuous tactics of some small financing companies that are used to entice the desperate into paying exorbitant interest on borrowed money. And he pointed out that in Maryland, the maximum interest rate for financing companies is 36 percent—a rate that is considered usurious in many states.

But Mr. Silverstein did not restrict himself to statistical generalities. He and his crew penetrated into the decaying homes of the poor, where a family of eight was crammed into one room. He focused a hidden camera on an aluminum-siding salesman in the process of making false verbal claims about the credit financing plan to a customer.

He intercut this sequence with footage of Mrs. Bess Meyerson Grant pointing out that in New York, even if the product bought with credit is never delivered or turns out to be defective, the customer must pay or he will be sued by banks that have bought up the contractor's bill of sale.

MASTERS OF BOTH

Credit financing and loans can be a dreary business to report unless the photography and editing are exceptional. Mr. Silverstein's and his crew appear to be masters of both; and the artistry of the film was as deftly handled as the research and quality of the narration. Brief segments from Busby Berkeley films, several TV bank commercials and excellent juxtapositions of the Wright Patman/David Rockefeller diatribes were interspersed with hard background research.

Some of it was, shall we say, a little too deftly handled; quick-cuts between slum children and tourists bathing in streaming Bahama sunlight were a teensy bit too obvious; and we could have done without the "Battle Hymn of the Republic" blaring behind a list of congressmen who hold interest in banks. Otherwise it was just fine; a remarkably documented work of art that could serve as a model of investigative reporting (if not impartiality) for certain local TV stations we could name.

[From the Houston Chronicle, Nov. 9, 1970]

"BANKS AND THE POOR"—SHOW RAISES STORM

A program to be aired tonight on around 180 educational television stations (including Houston's Ch. 8 at 8 p.m.) raises two controversial issues affecting congressmen and banking and could lead to official protests.

The program, "Banks and the Poor," on the Public Broadcasting System's Realities series, generally charges that banks victimize the poor by discriminating in favor of the well-to-do in offering their services.

The show, described by The Chronicle's TV Key previewers as "excellent, hard-hit-

ting, investigative journalism," also discusses two situations which, while they can happen in other states, cannot occur in Texas: garnishment or attachment of wages and forced sale of a person's home to satisfy a default on a loan payment. Ch. 8 officials have taken note of this in disclaimers which will run both before and after the show.

One of the controversial issues raised is whether or not congressmen should be allowed to own bank stocks or serve as bank directors or consultants. The chairman of the ethics committee of the Assn. of the Bar of New York City, Louis H. Loeb, contends congressmen should divest themselves of all interest or affiliation with banks.

The other issue is whether the program violates the personal attack rules of the Federal Communications Commission. The Texas Bankers Assn. has charged it does.

The climax of the program shows a list of 124 senators and representatives with bank affiliations. The list was furnished by Loeb's ethics committee of the New York Bar.

Public Broadcasting System and the National Educational Television network claim the program does not violate the personal attack rule, which requires television stations contemplating a personal attack on anyone to give him seven days notice and an opportunity to reply. PBS Sunday notified the 180 stations scheduled to carry the program of the possibility of official protests.

Ch. 8 officials said they have offered time, at a future date to be announced, for Houston banking representatives to present their views on the program and related matters.

Chairman David Rockefeller of Chase Manhattan Bank in New York and Treasury Secretary David Kennedy also are involved in the dispute. Rockefeller is shown on the program engaged in debate with chairman Wright Patman, D-Tex., of the House Banking Committee. He asked to see that part of the program in advance and was turned down. NET said Kennedy refused to discuss with its reporter Patman's assertion that he was still getting a \$5000 monthly pension from the Continental Illinois Bank, of which he formerly was chairman.

BANKS TAKE THRASHING IN

There was a time in this country when the banking industry had a rather poor public image.

Between then and now, the bankers—whom editorial cartoonists used to picture as porcine, cigar-smoking tycoons—hired high-priced public relations people to change the image. Over the years the banking industry got its money's worth: it became a symbol of community spirit, human progress, friendliness and all sorts of virtues.

But the image was altered slightly, some of the shiny, smooth edges were chipped away, by a TV program which was aired on Channel 6 Monday night.

The program was called "Banks and the Poor." It was an excellent documentary, conceived and executed to picture banking in human rather than institutional terms. Producer-writer Morton Silverstein and narrator Philip Sterling combined their talents to present to viewers an unflattering, sometimes sarcastic account of practices and policies that make bankers rich and help keep poor people poor.

ADMIRABLE ROLE FOR NONCOMMERCIAL TV

And it was a fine example of the results that can be achieved when noncommercial TV, casting about for a significant role to play in the electronic communications field, decides to allow someone such as Silverstein to be an ombudsman.

"Banks and the Poor" was divided into three segments. It dealt in detail with the part played by the banking industry in financing—or failing to finance—low-income housing. It explained how banks and finance companies work together, often to the dis-

advantage of poor people who need loans. It delved into consumer credit laws, which also discriminate against the poor.

One of the highlights of the program was a colloquy between David Rockefeller, president of the Chase Manhattan Bank (second largest in the world) and Rep. Wright Patman, D-Tex., chairman of the House Committee on Banking and Currency.

CONGRESSMEN TIED TO BANKING INTERESTS

They argued about lending policies, interest rates, and related matters, and Patman seemed to have the best of it.

However, the congressman might be hard put to argue with equal persuasiveness on behalf of more than 100 of his colleagues in the House and Senate who are themselves involved in some way with the banking industry.

The program concluded by running their names over pictures of scenes in Washington, D.C.—with the "Battle Hymn of the Republic" being played in the background—and pointing out that they have disregarded a congressional rule which prohibits them from voting on legislation involving a conflict of interest.

The names came from the Association of the Bar of the City of New York, and its chairman, Louis M. Loeb, appeared on the program to express his conviction that legislators should not be shareholders or directors of banks.

The point of view expressed by the program wasn't that banks are bad, but that some of the things they do are bad. If it should be determined, on weighing its content, that there was an imbalance in the presentation, it is because spokesmen for the banking industry weren't as convincing as those who had contrary stories to tell.

Not that "Banks and the Poor" was faultless; Silverstein weakened his case by over-emphasizing the racial discrimination issue which is a part of the problem. All ghettos aren't black.

FCC MEMBER HITS TV, GOVERNMENT

Nicholas Johnson, controversial member of the Federal Communications Commission, has found a new "silent majority."

[From the Boston Globe, Nov. 24, 1970]

A TV SHOW TOO MANY MISSED

(By Dexter D. Eure)

On any particular evening between 7 and 11, a majority in metropolitan Boston's 1,654,500 households will be watching television. Most of these viewers will be tuned in on commercial network television. According to viewer-ratings, PBS (Public Broadcasting Service), the noncommercial network, which has its local affiliate with Boston's educational channel WGBH-TV, has the least number of viewers.

Two weeks ago, during the 9 o'clock slot, the four major networks catered to different groups. Men were attracted to ABC's football game between the Baltimore Colts and Green Bay Packers. CBS served up some light comedy with "Mayberry RFD." The "Sergeant 3" movie was the choice of NBC. At the same hour, PBS showed an investigative documentary, "Banks and the Poor," which revealed how the poor are victims of commercial bank practices in consumer credit, housing and personal loans.

Taking an educated guess, as many as 250,000 Greater Bostonians watched David Rockefeller, chairman of the Chase Manhattan Bank (world's second largest) being verbally brutalized by Rep. Wright Patman, the Texas Democrat who is chairman of the House Banking and Currency Committee. Rep. Patman's comments fortified the arguments that the banker's participation in the free enterprise system had pitted the rich and powerful against the poor and helpless.

It isn't every day that you get the opportunity to view one of America's foremost busi-

ness leaders, such as Rockefeller, being blasted over the video tube, or any other medium.

PBS was so nervous before it showed the program that it alerted WGBH-TV and 179 other non-commercial stations that there would probably be some loud protests from the banking industry.

There was even talk that the banks might try to get the Federal Communications Commission (FCC) to apply the fairness doctrine, as they felt that there was a violation of the personal attack provision.

The program got right down to the nitty-gritty as it interviewed several people who had been exploited by the banks. One sequence showed an irate black woman who lost her home because of a mere \$40 debt.

The viewers were reminded that the savings and loan associations in this country (assets more than \$169 billion) are, under their Federal charter, supposed to be the main resource for a community's housing funds. According to the best estimates of the House Banking and Currency Committee, there is just a fraction of one percent that has gone toward the financing of low income housing.

The comment from Schuyler Barrack, an attorney in charge of the Legal Aid Society in Harlem, said, "The record shows that 95 percent of all borrowers, even the poor borrowers, pay back."

There was the disclosure that some 98 U.S. Senators and Congressmen—including Massachusetts Representative Thomas P. O'Neill—who are shareholders or directors of banking institutions and have disregarded a congressional rule which prohibits voting on legislation where there is a conflict of interest.

This educational program offered valuable information for everyone. Yet the poor, most probably, were not watching. Instead, they gave priority to football, comedy and movies.

Isn't this because public television, more often than not doesn't try too hard to provide programs such as this? Poor people are not in the habit of watching educational TV. Public television has a responsibility to let them know when the too-rare programs that affect them will be shown.

LEONID RIGERMAN'S U.S. CITIZENSHIP CONFIRMED

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

Mr. RYAN. Mr. Speaker, this morning the State Department informed me that Leonid Rigerman's application, and the application of his mother, Mrs. Esther Rigerman, for registration at the U.S. Embassy in Moscow as U.S. citizens have been approved.

This is indeed welcome news, for Leonid Rigerman, who was born in the Soviet Union in 1940 and whose mother is a native-born U.S. citizen, has been repeatedly harassed by Soviet authorities as he tried to establish his U.S. citizenship.

In fact, on November 10, in his latest attempt to come to the U.S. Embassy in Moscow, he was restrained physically, arrested, and jailed for 7 days. The action of the Soviet police, in preventing Leonid Rigerman from coming to the Embassy to establish his U.S. citizenship, violated the consular agreement between the United States and the Soviet Union.

I commend the State Department for reaching the decision confirming the citizenship of Mrs. Esther Rigerman and

her son, Leonid Rigerman, who, it has been determined, acquired U.S. citizenship at birth. I have studied this matter in depth, having been constantly in touch with the State Department since Rigerman's arrest, urging confirmation of their citizenship.

I should also like to commend Daniel Greer, deputy commissioner of the New York City Department of Ports and Terminals, who voluntarily representing the Rigermans before the State Department and persisted until this just decision was made.

I urge the State Department to take immediate steps to insure that Leonid Rigerman and his mother receive the full protection to which their U.S. citizenship entitles them.

I urge the U.S.S.R. to permit them to leave the Soviet Union and rejoin their family in the United States.

TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation. It has been estimated that Americans eat enough food each year to fill eight freight trains, each one stretching from New York to San Francisco.

DISTRICT OF COLUMBIA REVENUE ACT OF 1970—CONFERENCE REPORT

Mr. McMILLAN submitted the following conference report and statement on the bill (H.R. 19885) to provide additional revenue for the District of Columbia, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 91-1789)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 19885) to provide additional revenue for the District of Columbia, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

That this Act may be cited as the "District of Columbia Revenue Act of 1970".

TITLE I—REVENUE

SEC. 101. Section 1 of article VI of the District of Columbia Revenue Act of 1947 (D.C. Code, sec. 47-2501a) is amended (1) by striking out "1970" and inserting in lieu thereof "1971", and (2) by striking out "\$105,000,000" and inserting in lieu thereof "\$126,000,000".

SEC. 102. The Office of Management and Budget shall carefully examine and review each request of the District of Columbia for regular, supplemental, and deficiency appropriations to determine (1) the priorities of the expenditures for which each appropriation is requested, and (2) where reductions can be made in such expenditures.

SEC. 103. (a) Subsection (b) (1) of the first section of the Act of June 6, 1958 (D.C. Code,

sec. 9-220(b)(1)) (relating to the borrowing authority of the District of Columbia), is amended—

(1) in subparagraph (A), by striking out "1968, 1969, or 1970" and inserting in lieu thereof "1971 or 1972" and by striking out "6 per centum" and inserting in lieu thereof "9 per centum"; and

(2) in subparagraph (B), by striking out "1970" each place it appears and inserting in lieu thereof "1972" and by striking out "6 per centum" and inserting in lieu thereof "9 per centum".

(b) Section 214 of the District of Columbia Public Works Act of 1954 (D.C. Code, sec. 43-1613) is amended by striking out "\$32,000,000" and inserting in lieu thereof "\$72,000,000".

(c) Section 402(a) of the District of Columbia Public Works Act of 1954 (D.C. Code, sec. 7-133(a)) is amended by striking out "\$85,250,000" and inserting in lieu thereof "\$110,000,000".

(d) Section 2(a) of the Act entitled "An Act authorizing loans from the United States Treasury for the expansion of the District of Columbia water system", approved June 2, 1950 (D.C. Code, sec. 43-1540(a)) is amended by striking out "\$35,000,000" and inserting in lieu thereof "\$51,000,000".

Sec. 104. (a) The fifth paragraph under the heading "General Expenses" in the first section of the Act of July 11, 1919 (D.C. Code, sec. 5-316), is amended by inserting immediately after the period at the end thereof the following: "Notwithstanding the provisions of the preceding sentence and section 7 of the Act of February 22, 1921 (41 Stat. 1144), in the case of a single unit motor vehicle which has three or more axles and is designed to unload itself and which is operated in the District of Columbia under an annual hauling permit of the District of Columbia, the fee for such permit shall be as follows:

"(1) \$680 if such motor vehicle is first placed in service after July 1, 1970.

"(2) If such motor vehicle is in service on or before July 1, 1970, and operated at a gross weight—

"(A) in excess of the weight permitted under normal operations under applicable regulations of the Commissioner of the District of Columbia but less than 50,000 pounds, a fee of \$380;

"(B) of 50,000 pounds or more but less than 55,000 pounds, a fee of \$480;

"(C) of 55,000 pounds or more but less than 60,000 pounds, a fee of \$580; or

"(D) of 60,000 pounds or more, not to exceed 65,000 pounds, a fee of \$680.

The Commissioner of the District of Columbia is authorized to increase, from time to time, the fees prescribed by paragraphs (1) and (2), taking into account expenditures for the purpose of repairing or replacing highway structures and roadway pavements requiring such repair or replacement as a result of the operation of the motor vehicles for which hauling permit fees are prescribed under the preceding sentence. Proceeds from fees from annual hauling permits for such vehicles shall be deposited in the highway fund created by the first section of the Act entitled "An Act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924 (D.C. Code, sec. 47-1901)."

(b) The amendment made by subsection (a) shall take effect on the ninetieth day following the date of enactment of this Act.

Sec. 105. (a) The second sentence of subsection (a) of section 101 of title I of the District of Columbia Public Works Act of 1954 (D.C. Code, sec. 43-1520(a)) is repealed and the third sentence of such subsection is amended to read as follows: "In computing the charge for the consumption of water in excess of the minimum amount allowed for metered service, if such charge is for a period

beginning prior to a change in water rates and ending thereafter, the charge for such excess consumption shall be based upon the rate in effect at the time the charge is rendered."

(b) Subsection (b) of section 101 of such Act (D.C. Code, sec. 43-1520c(b)) is amended to read as follows:

"(b) The District of Columbia Council is authorized from time to time to fix the rates charged by the District for water and water services furnished by the District water supply system, at such amount as the Council, on the basis of a recommendation made by the Commissioner of the District of Columbia, determines is necessary to meet the expense to the District of furnishing such water and water services."

(c) Section 207 of title II of such Act (D.C. Code, sec. 43-1606) is amended to read as follows:

"Sec. 207. The District of Columbia Council is authorized, in its discretion, from time to time to establish one or more sanitary sewer service charges at such amount as the Council, on the basis of a recommendation made by the Commissioner of the District of Columbia, finds is necessary to meet the expense to the District of furnishing sanitary sewer services, including debt retirement."

(d) Subsection (b) of section 208 of title II of such Act (D.C. Code, sec. 43-1607) is repealed and subsection (c) is redesignated as subsection (b).

(e) Section 211 of title II of such Act (D.C. Code, sec. 43-1610) is repealed.

(f) Section 212(a) of title II of such Act (D.C. Code, sec. 43-1611) is amended by striking out ", and such charges shall be predicated on the value of water and water services received by such facilities of the Government of the United States or any department, independent establishment, or agency thereof from the District water supply system".

TITLE II—MISCELLANEOUS TAX MATTERS

Sec. 201. (a)(1) The second proviso in section 114(a)(6) of the District of Columbia Sales Tax Act (D.C. Code, sec. 47-2601, par. 14(a)(6)) is repealed.

(2) Section 125(1) of the District of Columbia Sales Tax Act (D.C. Code, sec. 47-2602(1)) is amended by striking out "and" immediately preceding "(C)" and by striking out the semicolon and inserting in lieu thereof the following: ", and (D) charges for rental of textiles if the essential part of the rental includes recurring services of laundering or cleaning of the textiles;"

(b) Section 128 of the District of Columbia Sales Tax Act (D.C. Code, sec. 47-2605) is amended by adding at the end thereof the following new paragraph:

"(r) Sales of textiles to persons who are engaged in the business of renting such textiles, if the essential part of such rental business includes recurring services of laundering or cleaning such textiles."

(c)(1) The second proviso in section 201(a)(4) of the District of Columbia Use Tax Act (D.C. Code, sec. 47-2701(1)(a)(4)) is repealed.

(2) Section 212(1) of the District of Columbia Use Tax Act (D.C. Code, sec. 47-2702(1)) is amended by striking out "and" immediately preceding "(C)" and by striking out the semicolon and inserting in lieu thereof the following: ", and (D) charges for rental of textiles if the essential part of the rental includes recurring service of laundering or cleaning of the textiles;"

Sec. 202. Paragraph (h) of section 1 of the Act entitled "An Act to define the real property exempt from taxation in the District of Columbia", approved December 24, 1942 (D.C. Code, sec. 47-801a), is amended by adding at the end thereof the following new sentence: "For purposes of this paragraph, any building—

"(1) which is financed in whole or in part with (A) a mortgage insured under section 221(d)(3), (h), or (i) of the National Housing Act and receiving the benefits of the interest rate provided for in the proviso in section 221(d)(5) of such Act, or (B) a mortgage insured under section 237 of such Act;

"(2) with respect to which periodic assistance payments are made under section 235 of the National Housing Act or interest reduction payments are made under section 236 of such Act;

"(3) with respect to which rent supplement payments are made under section 101 of the Housing and Urban Development Act of 1965;

"(4) which is financed in whole or in part with a loan made under section 202 of the Housing Act of 1959;

"(5) which contains dwelling units constituting low-rent housing in private accommodations within the meaning of section 23 of the United States Housing Act of 1937; or

"(6) with respect to which there is an outstanding rehabilitation loan made under section 312 of the Housing Act of 1964,

shall not, so long as the mortgage or loan involved remains outstanding or the assistance involved continues to be received, be considered a building used for purposes of public charity; except that this sentence will not apply to those organizations granted an exemption under this paragraph before the date of enactment of this sentence."

Sec. 203. (a) Subject to the provisions of subsection (b) of this section, the following property in the District of Columbia owned by the American Institute of Architects Foundation, Incorporated, a nonprofit corporation organized and existing under the laws of the State of New York, shall be exempt from taxation by the District of Columbia:

(1) The real property (including the improvements thereon known as the Octagon House) which is described as lot 36 in square 170.

(2) The furniture, furnishings, and other personal property located in any improvements on such real property.

(b) The property described in subsection (a) shall be exempt from taxation by the District of Columbia so long as (1) that property is owned by the Foundation referred to in subsection (a) and is used in carrying on its purposes and activities and is not used for any commercial purposes; and (2) the Octagon House is (A) maintained by that Foundation as a historical building to be preserved for its architectural and historical significance, and (B) accessible to the general public without charge or payment of a fee of any kind at such reasonable hours and under such regulations as may, from time to time, be prescribed by that Foundation. The provisions of section 2 of the Act entitled "An Act to define the real property exempt from taxation in the District of Columbia", approved December 24, 1942 (D.C. Code, sec. 47-801b), shall apply with respect to the property made exempt from taxation by this section, and the Foundation shall make the reports required by section 3 of that Act (D.C. Code, sec. 47-801c) and shall have the appeal rights provided by section 5 of that Act (D.C. Code, sec. 47-801e).

(c) This section shall apply with respect to taxable years beginning after June 30, 1969.

Sec. 204. Section 3(a)(7) of title III of the District of Columbia Income and Franchise Tax Act of 1947 (D.C. Code, sec. 47-1557b(a)(7)) is amended by adding at the end thereof the following new sentence: "In the case of property held by any taxpayer on the first day of his first taxable year beginning after December 31, 1968, which, on such first day, was property described in this paragraph,

any reduction in the basis of such property for purposes of computing the allowance under this paragraph which resulted from the enactment of the District of Columbia Revenue Act of 1969 shall be treated as an additional depreciation deduction which shall (subject to paragraph (14)) be allowable under this paragraph ratably over such period (beginning not earlier than the first taxable year of the taxpayer which begins after December 31, 1968), not to exceed ten taxable years, as may be agreed upon by the taxpayer and the Commissioner."

Sec. 205. (a) Title III of article I of the District of Columbia Income and Franchise Tax Act of 1947 (D.C. Code, sec. 47-1557b) is amended by inserting after paragraph (15) of section 3(a) the following new paragraph: "(16) Real estate investment trusts.—In the case of a real estate investment trust as defined in section 856 of the Internal Revenue Code of 1954, which meets the requirements of section 857(a) of the Internal Revenue Code of 1954, the dividends paid by the real estate investment trust which qualify for the dividends-paid deduction under section 857(b)(2)(C) and section 857(b)(3)(A)(ii) of the Internal Revenue Code of 1954, including dividends considered as having been paid during the taxable year by reason of section 858 of the Internal Revenue Code of 1954."

(b) The amendment made by subsection (a) shall apply with respect to taxable years of real estate investment trusts beginning after December 31, 1970.

TITLE III—MEDICAL AND DENTAL SCHOOL SUBSIDY

Sec. 301. This title may be cited as the "District of Columbia Medical and Dental Manpower Act of 1970".

Sec. 302. It is the purpose of this title to assist private nonprofit medical and dental schools in the District of Columbia in their critical financial needs in meeting the operational costs required to maintain quality medical and dental educational programs and to increase the number of students in such institutions as a necessary health manpower service to the metropolitan area of the District of Columbia.

Sec. 303. (a) The Secretary of Health, Education, and Welfare (hereinafter in this title referred to as the "Secretary") is authorized to make grants to the Commissioner of the District of Columbia (hereinafter in this title referred to as the "Commissioner") in amounts the Secretary determines to be the minimum amounts necessary to carry out the purposes of this title. The total amount of grants under this section for any fiscal year shall not exceed the sum of (1) the product of \$5,000 times the number of full-time students enrolled in private nonprofit accredited medical schools in the District of Columbia, and (2) the product of \$3,000 times the number of full-time students enrolled in private nonprofit accredited dental schools in the District of Columbia.

(b) For the purposes of this section and section 307, in determining eligibility for, and the amount of, grants with respect to private nonprofit medical and dental schools, consideration shall be given to any grants made to such schools pursuant to the portion of the program under section 772 of the Public Health Service Act (42 U.S.C. 295f-2) relating to financial assistance to schools which are in serious financial straits to aid them in meeting their costs of operation.

(c) There are authorized to be appropriated \$6,200,000 for the fiscal year ending June 30, 1971, and such sums as may be necessary for the fiscal year ending June 30, 1972, to make grants under this section.

Sec. 304. The Secretary may from time to time set dates by which applications for grants under section 303 for any fiscal year

must be filed by the Commissioner. A grant under section 303 may be made only if application therefor—

(1) is approved by the Secretary;

(2) contains such information as the Secretary may require to make the determinations required of him under this title and such assurances as he may find necessary to carry out the purposes of this title; and

(3) provides for such fiscal control and accounting procedures and reports and access to the records of the Commissioner and the applicant schools as the Secretary may from time to time require in carrying out his functions under this title.

Sec. 305. For the purposes of section 303 and section 307, regulations of the Secretary shall include provisions relating to the determination of the number of students enrolled in a school, or in a particular year-class in a school, as the case may be, on the basis of estimates, or on the basis of the number of students who were enrolled in a school, or in a particular year-class, as the case may be, in an earlier year, or on such basis as he deems appropriate for making such determinations.

Sec. 306. Grants under section 303 may be paid in advance or by way of reimbursement at such intervals as the Secretary may find necessary and with appropriate adjustments on account of overpayments or underpayments previously made.

Sec. 307. From funds received under section 303, the Commissioner shall make payments (in amounts determined by the Secretary under such section 303) to private nonprofit schools of medicine and dentistry in the District of Columbia. The total of the payments under this section in any fiscal year to a medical school shall not exceed the product of \$5,000 times the number of full-time students enrolled in such school, and the total of payments to a dental school shall not exceed the product of \$3,000 times the number of full-time students enrolled in such school.

Sec. 308. The Commissioner may from time to time set dates by which applications for payments by the Commissioner under section 307 for any fiscal year must be filed. A payment under section 307 by the Commissioner may be made only if the application therefor—

(1) is approved by the Commissioner upon his determination that the applicant meets the eligibility conditions of this title; and

(2) contains such information as the Commissioner and the Secretary may require to make determinations required under this title and such assurances as they may find necessary to carry out the purposes of this title.

Sec. 309. Payments under section 307 by the Commissioner may be paid in advance or by way of reimbursement at such intervals as the Commissioner may find necessary and with appropriate adjustments on account of overpayments or underpayments previously made.

Sec. 310. For purposes of this title:

(1) The term "full-time students" means students pursuing a full-time course of study in an accredited school of medicine or school of dentistry leading to a degree of doctor of medicine, doctor of dentistry, or an equivalent degree.

(2) The terms "school of medicine" and "school of dentistry" mean a school in the District of Columbia which provides training leading, respectively, to a degree of doctor of medicine and doctor of dentistry, or an equivalent degree, and which is accredited by a recognized body or bodies approved for such purpose by the Commissioner of Education of the United States.

(3) The term "nonprofit" as applied to a school of medicine or a school of dentistry means one which is owned and operated by one or more corporations or associations no

part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

TITLE IV—FUNDS FOR HIGHER EDUCATION

Sec. 401. (a) Section 107 of the District of Columbia Public Education Act (D.C. Code, sec. 31-1607) is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by adding "and" at the end of paragraph (5);

(3) by adding after paragraph (5) the following new paragraph:

"(6) section 108(b) of this Act,"; and

(4) by striking out "Federal City College shall" and inserting in lieu thereof the following: "Federal City College and the Washington Technical Institute shall each".

(b) Section 109(a)(1) of such Act (D.C. Code, sec. 31-1609(a)(1)) is amended by striking out "Federal City College shall" and inserting in lieu thereof the following: "Federal City College and the Washington Technical Institute shall each".

(c) Section 110 of such Act (D.C. Code, sec. 31-1610) is redesignated as section 112 and the following new sections are inserted immediately after section 109:

Sec. 110. Grants to the District of Columbia under the Acts referred to in section 107 and under section 109(b) and the earnings of sums appropriated under section 108(b) shall be shared equally between the Federal City College and the Washington Technical Institute.

"Sec. 111. Sections 107 and 109 provide that the Washington Technical Institute shall be considered to be a college established for the benefit of agriculture and the mechanic arts in accordance with the provisions of the Act of July 2, 1862, for the purpose of enabling the Washington Technical Institute to share, under section 110, with the Federal City College (1) grants under the Acts referred to in section 107, (2) grants under section 109 (b), and (3) earnings of sums appropriated under section 108(b)."

(d) The amendments made by this section shall apply with respect to (1) grants made to the District of Columbia under the Acts referred to in section 107 of the District of Columbia Public Education Act and under section 109(b) of such Act for fiscal years beginning after June 30, 1971, and (2) any earnings, on and after July 1, 1971, of sums heretofore appropriated to the District of Columbia pursuant to section 108(b) of such Act.

Sec. 402. Any institution of higher education located in the District of Columbia and described in the first sentence of section 1201(a) of the Higher Education Act of 1965 (other than District of Columbia Teachers' College, Federal City College, Gallaudet College, and Howard University) may borrow money at such rates of interest as the institution may determine, without regard to the restrictions of any usury law applicable in the District of Columbia, and shall not plead any statutes against usury in any action.

TITLE V—INDUSTRIAL SAFETY

Sec. 501. Title II of the Act of September 19, 1918 (D.C. Code, secs. 36-431—36-442) is amended as follows:

(1) Section 2 of such title (D.C. Code, sec. 36-432) is amended—

(A) by striking out in paragraph (a) "industrial employment, place of employment," and inserting in lieu thereof "place of employment", and

(B) by striking out in paragraph (d) "industrial".

(2) Section 3 of such title (D.C. Code, sec. 36-433) is amended by adding at the end thereof the following new sentence: "To promote the safety of persons employed in existing buildings or other existing struc-

tures, such rules, regulations, and standards may require, without limitation, changes in the permanent or temporary features of such buildings or other structures."

(3) Section 6 of such title (D.C. Code, sec. 36-436) is amended to read as follows:

"Sec. 6. The Board may, upon written application of any employer affected by such rule or regulation, permit variations from any provisions thereof if it shall find that the application of such provision would result in unnecessary hardship or practical difficulty, and notwithstanding such variance, that the protection afforded by such rule or regulation will be provided. The Board may grant a hearing open to the public on such application upon request of the applicant or other interested party or parties, or on its own initiative. The Board's decision thereon shall be subject to review by the District of Columbia Court of Appeals upon petition of the applicant or other affected party or parties. The Board shall keep a properly indexed record of all variations permitted from any rule or regulation, which shall be open to public inspection."

(4) Section 12 of such title (D.C. Code, sec. 36-442) is amended by striking out "more than \$300" and inserting in lieu thereof the following: "less than \$100 or more than \$600".

TITLE VI—SALE OF DAIRY PRODUCTS IN DISTRICT OF COLUMBIA

SEC. 601. (a) The Act entitled "An Act to regulate within the District of Columbia the sale of milk, cream, and ice cream, and for other purposes", approved February 27, 1925 (D.C. Code, secs. 33-301—33-319), is amended to read as follows:

"SECTION 1. None but pure, clean, and wholesome milk, cream, milk products, or frozen desserts conforming to standards established by the District of Columbia Council, not inconsistent with standards established by the United States Government, shall be produced in, or be shipped into, the District of Columbia.

"Sec. 2. As used in this Act—

"(1) The term 'person' includes firms, associations, partnerships, and corporations in addition to individuals.

"(2) The term 'Commissioner' means the Commissioner of the District of Columbia or his designated agents.

"(3) The term 'District' means the District of Columbia.

"Sec. 3. No person shall keep or maintain within the District a dairy farm, milk plant, or frozen dessert plant producing, as the case may be, milk, cream, milk products, or frozen desserts for sale in the District, or bring or send into the District for sale any milk, cream, milk product, or frozen dessert, without a permit so to do from the Commissioner, and then only in accordance with the terms of such permit. Such permit shall be valid only for the calendar year in which it is issued, and shall be renewable annually on or before the 1st day of January of each calendar year thereafter. Application for such permit shall be in writing upon a form prescribed by the Commissioner.

"Sec. 4. The Commissioner is authorized to suspend any permit issued under the authority of this Act whenever, in his opinion, the public health is endangered by the impurity or unwholesomeness of milk, cream, milk product, or frozen dessert supplied by the holder of the permit, and the suspension shall remain in force until the Commissioner finds the danger no longer continues. Whenever any permit is suspended the Commissioner shall in writing furnish to the holder of such permit his reasons for such suspension, and each dealer receiving milk, cream, milk product, or frozen dessert from such holder shall also be promptly notified by the Commissioner in writing of the suspension of the permit.

"Sec. 5. Nothing in this Act shall be construed to prohibit (1) the shipment into the District of milk, cream, or milk products from shipping stations or plants having a sanitation compliance and enforcement rating of 90 per centum or better as determined by a milk sanitation rating officer certified by the Secretary of Health, Education, and Welfare, or (2) the shipment into the District of milk or cream for manufacture into frozen desserts and frozen desserts containing milk or cream which has been produced and transported in accordance with specifications established by a State or Federal regulatory or certifying agency and approved by the Commissioner.

"Sec. 6. No milk, cream, milk product, or frozen dessert shall be sold or offered for sale to a consumer in the District unless it has been pasteurized by a method acceptable to the Secretary of Health, Education, and Welfare.

"Sec. 7. The Commissioner is authorized to seize all milk, cream, milk products, or frozen desserts which may be brought into the District in violation of the provisions of this Act. The owner of any such milk, cream, milk product, or frozen dessert shall immediately be notified of such seizure, and if he shall fail within twenty-four hours from the time such notice is given to him to remove or cause to be removed from the District the seized milk, cream, milk product, or frozen dessert, the Commissioner is authorized to destroy or otherwise dispose of it.

"Sec. 8. The District of Columbia Council is hereby authorized to make from time to time all such reasonable regulations or standards consistent with this Act as it deems necessary to protect the milk, cream, milk product, and frozen dessert supply of the District. Such regulations for standards shall be published once in a daily newspaper of general circulation in the District at least thirty days before any penalty may be exacted for violation thereof.

"Sec. 9. No person in the District shall sell or offer for sale any milk, cream, milk product, or frozen dessert from any source until he shall have first determined that the person providing such milk, cream, milk product, or frozen dessert holds a permit from the Commissioner to ship milk, cream, milk products, or frozen desserts into the District.

"Sec. 10. Any person who violates any provision of this Act or the regulations or standards promulgated hereunder shall be punished by a fine of not more than \$300 or imprisonment for not more than thirty days, or both. Prosecutions shall be conducted in the Superior Court of the District of Columbia in the name of the District of Columbia by the Corporation Counsel or any of his assistants."

(b) The amendment made by subsection (a) of this section shall take effect on December 31, 1971.

TITLE VII—MISCELLANEOUS

Sec. 701. Section 2 of the Act entitled "An Act to declare the Old Georgetown Market a historic landmark and to require its preservation in continued use as a public market, and for other purposes", approved September 21, 1966 (D.C. Code, sec. 5-807), is amended by striking out " , but not to exceed in the aggregate \$150,000".

Sec. 702. (a) Section 4(b) of the District of Columbia Minimum Wage Act (D.C. Code, sec. 36-404) is amended (1) by striking out "or" at the end of paragraph (4), (2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon and "or", and (3) by adding after paragraph (5) the following new paragraph:

"(6) any employee (A) with respect to whom the Interstate Commerce Commission has power to establish qualifications and maximum hours of service pursuant to the provisions of section 204 of part II of the Interstate Commerce Act, and (B) who is not employed for more than 50 per centum

of any workweek within the Washington metropolitan region."

(b) The amendments made by subsection (a) of this section shall take effect as of February 1, 1967.

Sec. 703. (a) Section 2 of the District of Columbia Minimum Wage Act (D.C. Code, sec. 36-402) is amended by adding at the end thereof the following:

"(8) The term 'Washington metropolitan region' means the area consisting of the District of Columbia, Montgomery and Prince George's Counties in Maryland, Arlington and Fairfax Counties and the cities of Alexandria, Fairfax, and Falls Church in Virginia."

(b) Section 3 of such Act (D.C. Code, sec. 36-403) is amended by adding at the end thereof the following:

"(f) A wage order under this Act may establish at any one time only one wage rate for the occupation or the classification of employees within an occupation, as the case may be, to which the wage order applies."

(c) Section 6 of such Act (D.C. Code, sec. 36-406) is amended as follows:

(1) The first sentence of subsection (a) of such section is amended (A) by striking out "wage order" the first time it appears and inserting in lieu thereof "wage rate within a wage order", and (B) by striking out "the wage rates" and inserting in lieu thereof "such wage rate".

(2) The first sentence of subsection (b) of such section is amended (A) by inserting "and" immediately after "occupation," the second time it occurs, and (B) by striking out ", and one or more representatives of the agency designated by the Commissioners to administer this Act," and inserting in lieu thereof a period and the following: "The chairman of the agency designated by the Commissioner to administer this Act shall be an ex officio member of the Committee."

(3) Clause (3) of the second sentence of subsection (e) of such section is amended by striking out "District of Columbia" and inserting in lieu thereof "Washington metropolitan region".

(4) Subsection (f) of such section is amended by inserting immediately before the period at the end thereof the following: "and after taking into consideration the matters referred to in the second sentence of subsection (e)".

(d) The amendment made by subsection (b) of this section shall apply with respect to any wage order under the District of Columbia Minimum Wage Act issued or revised after the date of enactment of this Act.

Sec. 704. (a) The Administrator of the Environmental Protection Agency, in consultation with the Secretary of the Interior, the Chief of Engineers of the Corps of Engineers of the United States Army, and the Commissioner of the District of Columbia, shall conduct a special study of and make recommendations with respect to—

(1) the water pollution problems of the part of the Potomac River that is located within the Washington metropolitan area,

(2) the water resources of the Potomac River for such area,

(3) the problems relating to the provision of adequate facilities for water, sewer, sanitation, and related services for such area, and

(4) the establishment of an appropriate independent area or regional entity to control and resolve such water pollution problems, to regulate and control such water resources, and to provide such services at reasonable costs.

The study shall contain specific recommendations as to the extent and amount of funding that would be necessary to establish and maintain such an area or regional entity, recommendations as to any functions now performed by Federal and District of Columbia entities which should be transferred to

such an area or regional entity, and recommendations as to provisions for protection of employees of entities that would be affected by such transfers.

(b) The Administrator of the Environmental Protection Agency shall report to the Congress the results of the study under subsection (a), together with his recommendations, on or before March 31, 1971.

Sec. 705. (a) Notwithstanding any other provision of law, the Commissioner of the District of Columbia is authorized to enter into lease agreements with any person, partnership, corporation, or other entity, which do not bind the government of the District of Columbia for periods in excess of twenty years for each such lease agreement, on such terms and conditions, including, without limitation, lease-purchase, as he deems to be in the interest of the District of Columbia and necessary for the accommodation of District of Columbia agencies and activities in buildings or other improvements which are in existence or are to be constructed by the lessor for such purposes, or on unimproved real property.

(b) No lease agreement entered into under subsection (a) shall provide for the payment of rental in excess of the limitations prescribed by section 322 of the Act entitled "An Act making appropriations for the Legislative Branch of the Government for the fiscal year ending June 30, 1933, and for other purposes", approved June 30, 1932 (40 U.S.C. 278a), except that the provisions of this subsection shall not apply to leases made prior to the date of the enactment of the District of Columbia Revenue Act of 1970 except when renewals thereof are made after such date.

(c) (1) Section 6 of the District of Columbia Appropriation Act, 1945 (D.C. Code, sec. 1-243) is repealed.

(2) Section 12 of the District of Columbia Appropriation Act, 1959 (D.C. Code, sec. 1-243a) is repealed.

Sec. 706. The second sentence in the second paragraph of section 7 of the District of Columbia Alcoholic Beverage Control Act (D.C. Code, sec. 25-107) is amended by striking out "any election" and inserting in lieu thereof "the presidential election".

TITLE VIII—GENERAL PROVISIONS

Sec. 801. If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances shall not be affected thereby.

Sec. 802. Nothing in this Act, or any amendments made by this Act, shall be construed so as to affect the authority vested in the Commissioner of the District of Columbia or the authority vested in the District of Columbia Council by Reorganization Plan Numbered 3 of 1967. The performance of any function vested by this Act in the Commissioner of the District of Columbia or in any office or agency under his jurisdiction and control, or in the District of Columbia Council, may be delegated by the Commissioner or Council, as the case may be, in accordance with the provisions of such plan.

Sec. 803. (a) The repeal or amendment by this Act of any provision of law shall not affect any other provision of law, any act done or any right accrued or accruing under such repealed or amended law, or any suit or proceeding had or commenced in any civil cause before repeal or amendment of such law; but all rights and liabilities under such repealed or amended laws shall continue, and may be enforced in the same manner and to the same extent, as if such repeal or amendment had not been made.

(b) In the case of any offense committed or penalty incurred under any provision of law repealed or amended by this Act such offense may be prosecuted and punished and

such penalty may be enforced in the same manner and with the same effect as if this Act had not been enacted.

And the Senate agree to the same.

JOHN L. McMILLAN,
DON FUQUA,
ANCHER NELSEN,
JOEL T. BROYHILL,

Managers on the Part of the House.

THOMAS F. EAGLETON,
W. B. SPONG, JR.,
CHARLES MCC. MATHIAS,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 19885) to provide additional revenue for the District of Columbia, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment to the bill struck out all of the House bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the House bill and the Senate amendment to the bill. Except for technical, clarifying, and conforming changes, the following statement explains the differences between the House bill and the substitute agreed to in conference.

FEDERAL PAYMENT AUTHORIZATION

Under section 101 of the House bill the authorization for the annual Federal payment to the District of Columbia was increased with respect to fiscal years beginning after June 30, 1970, from \$105 million to \$120 million—an increase of \$15 million.

The Senate amendment provided that such payment for any fiscal year, after fiscal year 1970, would be equal to 30 percent of the District of Columbia general fund revenues derived from taxes, charges, and miscellaneous receipts. It was estimated that for fiscal year 1971 the Federal payment would have been \$132 million.

The conference substitute provides for an increase in the Federal payment of \$21 million, thus establishing the annual authorization level at \$126 million.

It is the position of the managers on the part of the House that the Federal payment authorization provided in the conference substitute is sufficient to cover any expense to the District of Columbia government which may accrue as a result of salary increases for D.C. government employees during the present fiscal year.

BORROWING AUTHORITY

The ceiling on the amount which the District of Columbia may borrow from the United States to carry out capital improvement programs financed by the general fund of the District of Columbia is based on the ability of the District of Columbia to pay from the general fund the interest and principal on its aggregate, outstanding indebtedness to the United States. That is, the measure for such borrowing authority is based on a ceiling on the amount of the revenues from the general fund of the District of Columbia that the District may use to pay the principal and interest on such indebtedness. The present ceiling is 6 percent of the sum of the District's general fund revenues (including the annual Federal payment) for fiscal year 1970.

Under section 102 of the House bill the percentage factor was raised from 6 percent to 8 percent and, with respect to fiscal years 1971 and 1972, the ceiling was to be computed on the basis of the general fund revenues for those years, respectively, and

with respect to fiscal years after 1972 the ceiling was to be computed on the basis of such revenues for fiscal year 1972.

The Senate amendment changed the percentage factor from 6 percent to 10 percent and, with respect to fiscal years 1973 and 1974, permitted the ceiling to be based on general fund revenues received in those years, respectively, and with respect to fiscal years after 1974, permitted the ceiling to be based on such revenues received in fiscal year 1974.

The conference substitute is the same as the House bill except that the percentage factor is 9 percent instead of 8 percent.

The House bill provided that the ceiling on borrowing for the D.C. Sanitary and Sewerage Works Fund be increased from \$32 million to \$72 million. The Senate amendment provided that effective fiscal year 1975, the ceiling for borrowing for that fund for projects approved prior to June 30, 1974, be increased from \$32 million to \$93.9 million. The conference substitute adopts the House provision.

The House bill provided that the ceiling on borrowing for the D.C. Highway Fund be increased from \$85.25 million to \$110 million. The Senate amendment provided that effective fiscal year 1975, the ceiling on borrowing for this fund for projects approved before June 30, 1974, be increased from \$85.25 million to \$146.8 million. The conference substitute adopts the House provision.

The House bill provided that the ceiling on borrowing for the D.C. Water Fund be increased from \$35 million to \$51 million. The Senate amendment provided that effective fiscal year 1975, the ceiling on borrowing for this fund for projects approved prior to June 30, 1974, be increased from \$35 million to \$62.9 million. The conference substitute adopts the House provision.

The conference substitute is estimated to produce for general fund requirements \$610 million borrowing authority for 1971 and \$626 million for 1972.

The conferees, by retaining the House-passed increases referred to in the special funds, thus has provided a total borrowing authority for the general fund and the special funds named of \$843 million for 1971 and \$845 million for 1972.

FEES FOR HAULING PERMITS FOR CERTAIN SELF-UNLOADING TRUCKS

Section 104 of the House bill contained a provision not in the Senate amendment authorizing the Commissioner of the District of Columbia to charge certain fees for permits required for the operation in the District of Columbia of self-unloading motor vehicles having three or more axles. The provision in the House bill authorized the Commissioner to increase the fees under certain circumstances and also provided that the fees from the permits would be deposited in the District of Columbia highway fund.

The conference substitute adopts this provision and makes it clear that it is designed to enable the District of Columbia to charge revenue-raising fees for hauling permits for self-unloading motor vehicles of three or more axles and that such fees are to be deposited in the District of Columbia highway fund. The provisions in the House bill authorizing the District of Columbia to require hauling permits and prescribing related administrative authority was not included in the conference substitute because the District of Columbia under existing law has the authority to require such permits and to make such regulations as may be necessary for their issuance and enforcement.

WATER AND SEWER RATES

Section 105 of the House bill repealed the ceiling on water rates that may be fixed by the District of Columbia Council.

The Senate amendment contained a similar provision which also repealed the ceiling on sewer rates that may be fixed by the District of Columbia Council. In addition, the Senate amendment provided that charges for water or sewer service during a period in which a rate change is made would be based on the higher rate rather than based on an average of the two rates.

The conference substitute is the same as the Senate amendment.

REAL ESTATE INVESTMENT TRUSTS

Section 701 of the Senate amendment contained a provision not in the House bill which provided that dividends of a real estate investment trust would be treated by the District of Columbia in the same manner that such dividends are treated under the Internal Revenue Code of 1954. Thus, if the dividends paid by a real estate investment trust would qualify for the dividends-paid deduction under the Internal Revenue Code of 1954, such dividends would be allowed as deductions from gross income in computing net income for purposes of the District of Columbia income tax.

The conference substitute contains the provisions of the Senate amendment.

LAND GRANT FUNDS FOR HIGHER EDUCATION

The House bill contained a provision which provided that the Washington Technical Institute, in addition to the Federal City College, shall be considered a college established for the benefit of agriculture and the mechanic arts in accordance with the provisions of the Act of July 2, 1862, for the purpose of enabling the Washington Technical Institute to share equally under section 110 of the District of Columbia Public Education Act, with the Federal City College, (1) grants under the Acts referred to in section 107 of the District of Columbia Public Education Act, (2) grants under section 109(b) of such Act, and (3) earnings of sums appropriated under section 108(b) of such Act.

The Senate amendment contained no comparable provision.

The conference substitute conforms to the House language with an additional provision intended to insure that the action taken to designate the Washington Technical Institute as a land grant college is for the purpose of enabling the Institute to share equally under section 110 of the District of Columbia Public Education Act, with the Federal City College, in land grant funds and is not otherwise to be considered as a precedent.

The conference substitute, while providing that grants under section 109(b) of the District of Columbia Public Education Act are to be shared equally between the Washington Technical Institute and the Federal City College, intends that there be only one director of cooperative extension work in the District of Columbia and that the two educational institutions enter into a cooperative arrangement to carry out non-duplicative areas of work mutually agreed upon.

INDUSTRIAL SAFETY

Title IV of the Senate amendment contained a provision not in the House bill which amended the industrial safety law of the District of Columbia as follows: (1) the law was made applicable to all places of employment, not just industrial, (2) the Minimum Wage and Industrial Safety Board was authorized to order changes in temporary as well as permanent features of existing buildings, (3) the Board was authorized to grant hearings on applications for variances from the requirements of the industrial safety law, (4) decisions of the Board with respect to applications for such variances were made reviewable by the District of Co-

lumbia Court of Appeals, (5) fines for violations were changed from a maximum of \$300 to a minimum of \$100 and a maximum of \$1,000, (6) no forfeiture of collateral in cases involving death or serious injury is permitted, and (7) an Assistant Corporation Counsel was to be assigned to the Board to conduct prosecution for violations of industrial safety laws.

The conference substitute adopts the changes in the industrial safety law referred to in clauses (1), (2), (3), and (4) and in lieu of the change described in clause (5) provides for a minimum fine of \$100 and an increase in the maximum fine from \$300 to \$600. The conference substitute does not contain the changes described in clauses (6) and (7).

SALE OF DAIRY PRODUCTS IN D.C.

The House bill provided that dairy products from outside the District of Columbia may be sold in the District if the sources of such products are inspected and approved by certified inspectors of the Department of Health, Education, and Welfare, thus repealing the provision of present law which requires that such sources of dairy products be inspected and approved also by inspectors of the D.C. Department of Public Health. The effective date for this provision was July 1, 1971. The Senate amendment contained no comparable provision. The conference substitute adopts the House provision, but with an effective date of December 31, 1971.

OVERTIME EXEMPTION FOR CERTAIN MOTOR CARRIER EMPLOYEES

Section 502 of the House bill contained a provision not in the Senate amendment which provided an exemption from the overtime requirements of the District of Columbia Minimum Wage Act for employees with respect to whom the Interstate Commerce Commission has power to establish qualifications and maximum hours of service pursuant to the provisions of section 204 of part II of the Interstate Commerce Act. There is in the Federal minimum wage law (the Fair Labor Standards Act of 1938) an exemption for such employees from the overtime requirements of such law. The employees who are exempted from overtime requirements under the Federal law and who would be exempted under the provisions of the House bill are drivers of motor vehicles operating in interstate commerce, driver's helpers on such vehicles, mechanics who repair and service such vehicles, and loaders of such vehicles. The amendment in the House bill was made retroactive to February 1, 1967, the effective date of the revision of the District of Columbia Minimum Wage Act which applied its provisions to men for the first time.

The conference substitute provides that the employees exempted by the House bill from the District of Columbia overtime requirements will be exempted from such requirements in any work week if in such work week such employees were not employed for more than half of such work week within the Washington metropolitan region, which is defined as the area comprised of the District of Columbia, the counties of Montgomery and Prince Georges in Maryland, and the counties of Arlington and Fairfax and the cities of Alexandria, Fairfax and Falls Church in Virginia. The exemption as in the House bill, is made retroactive to February 1, 1967.

MINIMUM WAGE RATES UNDER THE DISTRICT OF COLUMBIA MINIMUM WAGE ACT

Section 503 of the House bill contained amendments, not in the Senate amendment, to the District of Columbia Minimum Wage Act. Such amendments provided the following: (1) the wage rate in any wage order

could not be changed until it had been in effect at least one year, (2) the District of Columbia was not to be represented on ad hoc advisory committees created to advise the Commissioner with respect to proposed wage order revisions, (3) in considering proposed wage rate revisions, the advisory committee was directed to consider the applicable wage rates being paid in the Washington metropolitan region, and (4) the minimum wage rate established in a wage order could not exceed by more than 10% the highest minimum wage rate in effect under the Federal minimum wage law.

The conference substitute adopts the changes made by the House bill described in clauses (1), (2), and (3). In addition, it provides that the chairman of the District of Columbia Minimum Wage and Industrial Safety Board shall be an ex officio member of the advisory committee referred to in clause (3) and makes it explicit that a wage order may not provide for more than one increase in a minimum wage rate. That is, the current practice of providing multiple increases in one wage order or revision thereof in the minimum wage rate is now prohibited. Thus, for example, a wage order which now provides for a wage rate of \$1.60 an hour effective January 1, 1971, a minimum wage rate of \$1.80 an hour effective July 1, 1971, and \$2.00 an hour effective January 1, 1972, is not allowed under the amendment made by the conference substitute. Under the example given, separate action would be required for the minimum wage rates of \$1.80 an hour and \$2.00 an hour. However, the Board may continue to establish in any wage order or revision thereof separate wage rates for different classifications of employees within the occupation to which the wage order applies.

STUDY OF POTOMAC RIVER RESOURCES AND POLLUTION PROBLEMS

The House bill contained a provision not in the Senate amendment which authorized the Administrator of the Environmental Protection Agency to conduct a study of and make recommendations with respect to the water pollution problems on the part of the Potomac River located in the Washington metropolitan area, the water resources of the Potomac River for such area, the problems relating to the provision of adequate facilities for water, sewer, sanitation, and related services for such area and the establishment of an appropriate independent area or regional entity to control and resolve such water pollution problems, to regulate and control such water resources and to provide such services at reasonable costs. The Administrator was directed to report to the Congress the results of such study, together with his recommendations, on or before March 31, 1971.

The conference substitute contains the provision of the House bill. It is expected that the Administrator in carrying out such study and formulating his recommendations will consult with appropriate public officials of the jurisdictions in Maryland and Virginia which will be affected by his recommendations.

AMENDMENT TO THE DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE CONTROL ACT

The Senate amendment contained a provision not in the House bill which repealed the change made to the District of Columbia Alcoholic Beverage Control Act by the District of Columbia Delegate Act (Public Law 91-405). Before that Act liquor sales in the District of Columbia were prohibited on presidential election day. Under the amendment made by that Act liquor sales were prohibited on any election day. Under the Senate amendment liquor sales would be prohibited only on presidential election days.

The conference substitute contains the provision of the Senate amendment.

JOHN L. McMILLAN,
DON FUQUA,
ANCHER NELSEN,
JOEL T. BROVHILL,

Managers on the Part of the House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RANDALL, for Monday, December 21, and Tuesday, December 22, on account of official business (to hear complaints on location of missile site radar of the Safeguard system in Pettis County and to discuss criteria for location of such site in Pettis and Johnson County, Mo.).

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DANIEL of Virginia) to revise and extend their remarks and include extraneous material:)

Mr. RARICK, for 15 minutes, today.

Mr. GRIFFIN, for 10 minutes, today.

Mr. GONZALEZ, for 10 minutes, today.

Mr. RANDALL, for 15 minutes today, to revise and extend his remarks, and include extraneous material.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BARRETT and Mr. HANNA to extend their remarks during consideration of conference report on H.R. 19436.

(The following Members (at the request of Mr. KYL) and to include extraneous material:)

Mr. BUCHANAN in two instances.

Mr. WYMAN in two instances.

Mr. WIDNALL in two instances.

Mr. ROUSSELOT.

(The following Members (at the request of Mr. DANIEL of Virginia) and to include extraneous material:)

Mr. MINISH in five instances.

Mr. O'NEILL of Massachusetts in three instances.

Mr. RARICK in five instances.

Mr. ROONEY of New York.

Mr. RYAN in two instances.

Mr. KLUCZYNSKI in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1009. An act for the relief of Ruth V. Hawley, Marvin E. Krell, Elaine E. Benic, and Gerald L. Thayer; to the committee on the Judiciary.

S. 1984. An act for the relief of Alice E. Ford; to the Committee on the Judiciary.

S. 2793. An act for the relief of Siu-Kei-Fong; to the Committee on the Judiciary.

S. 3885. An act for the relief of Maurice Marchbanks; to the Committee on the Judiciary.

S. 3971. An act for the relief of Luana Gaja; to the Committee on the Judiciary.

S. 3977. An act for the relief of Dr. Hahn Joong Lee; to the Committee on the Judiciary.

S. 4261. An act for the relief of Esther Catherine Milner; to the Committee on the Judiciary.

S. 4268. An act to amend the Export-Import Bank Act of 1945, as amended, to allow for greater expansion of the export trade of the United States; to exclude Bank receipts and disbursements from the budget of the U.S. Government, and for other purposes; to the Committee on Banking and Currency.

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. 380. An act to amend section 7 of the act of August 9, 1946 (60 Stat. 968);

H.R. 4983. An act for the relief of James M. Buster;

H.R. 6049. An act to amend the definition of "metal bearing ores" in the Tariff Schedules of the United States;

H.R. 6778. An act to amend the Bank Holding Company Act of 1956; and for other purposes;

H.R. 9183. An act to amend the Tariff Schedules of the United States to provide that imported articles which are exported and thereafter reimported to the United States for failure to meet sample or specifications shall, in certain instances, be entered free of duty upon such reimportation;

H.R. 10150. An act for the relief of certain individuals employed by the Department of the Air Force at Kelly Air Force Base, Tex.;

H.R. 10704. An act for the relief of Samuel R. Stephenson;

H.R. 12621. An act for the relief of Lt. Robert J. Scanlon;

H.R. 12962. An act for the relief of Maureen O'Leary Pimpare;

H.R. 14271. An act for the relief of Jack A. Duggins;

H.R. 15911. An act to amend title 38 of the United States Code to increase the rates, income limitations, and aid and attendance allowances relating to payment of pension and parents' dependency and indemnity compensation; to exclude certain payments in determining annual income with respect to such pension and compensation; to make the Mexican border period a period of war for the purposes of such title; and for other purposes;

H.R. 15979. An act to provide that the interest on certain insured loans sold out of the agricultural credit insurance fund shall be included in gross income;

H.R. 16506. An act to amend the Internal Revenue Code of 1954 to clarify the applicability of the exemption from income taxation of cemetery corporations;

H.R. 16940. An act to extend until December 31, 1972, the suspension of duty on electrodes for use in producing aluminum; and

H.R. 19504. An act to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1. An act to provide for uniform and equitable treatment of persons displaced from their homes, businesses, or farms by Federal and federally assisted programs and to establish uniform and equitable land acquisition policies for Federal and federally assisted programs;

S. 704. An act to amend the act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act;

S. 719. An act to establish a national mining and minerals policy;

S. 2102. An act for the relief of Percy Ispas Avram;

S. 2193. An act to assure safe and healthful working conditions for working men and women; by authorizing enforcement of the standards developed under the act; by assisting and encouraging the States in their efforts to assure safe healthful working conditions; by providing for research, information, education, and training in the field of occupational safety and health; and for other purposes; and

S. 3619. An act to revise and expand Federal programs for relief from the effects of major disasters, and for other purposes.

ADJOURNMENT

Mr. DANIEL of Virginia, Mr. Speaker, I move that the House do now adjourn until 12 o'clock noon on Monday next.

The motion was agreed to, accordingly (at 3 o'clock and 28 minutes p.m.), the House adjourned until Monday, December 21, 1970, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN: Committee of conference. Conference report on H.R. 19835; with amendment (Rept. No. 91-1789). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII,

Mr. GRIFFIN introduced a bill (H.R. 19981) to authorize the Secretary of Agriculture to establish a program to enable individuals to enter into, and engage in, the production and marketing of farm-raised fish through the extension of credit, technical assistance, marketing assistance and research, and for other purposes, which was referred to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. CHAPPELL introduced a bill (H.R. 19982) for the relief of Aleyda Arias Veru, which was referred to the Committee on the Judiciary.