it was absolutely essential for him to have the bill passed at once?

Mr. HRUSKA. The Senator is correct. He said that he could not wait. He indicated that we must pass this legislation, and we must pass it now.

Mr. ERVIN. Does not the Senator from Nebraska agree with the Senator from North Carolina that a very high percentage of all litigation in the Federal courts is litigation in which the United States is a party?

Mr. HRUSKA. The Senator is correct.

Mr. ERVIN. Can the Senator from Nebraska enlighten the Senator from North Carolina as to why the chief legal officer of the United States wants to have a bill passed to make it certain that—instead of juries being composed of persons of high character, intelligence, and integrity—the best we could hope for would be juries of average ignorance?

Mr. HRUSKA. While I do not impugn the Attorney General's motives, that is what could result if the bill were to become law, in my judgment.

Mr. ERVIN. Is it not the practice now, in selecting persons for service on Federal juries, to select persons of high intelligence, good moral character, and a high sense of civic responsibility?

Mr. HRUSKA. The Senator is correct.

Mr. ERVIN. I ask the Senator from Nebraska if there is a single syllable in title I which undertakes to prescribe any qualifications for Federal jurors based upon character, except those provisions prohibiting service by persons charged with or convicted of a crime defined as a felony under Federal law.

Mr. HRUSKA. The Senator is correct, in addition, of course, to being 21 years of age and a resident of the district for a year, and so on.

Mr. ERVIN. I ask if under the bill a notorious keeper of a bawdy house would not have an absolute right to have her name placed in a jury wheel if her name were selected at random from the registration list.

Mr. HRUSKA. The Senator is correct. And except for the peremptory challenges that are available, she would serve on the jury.

Mr. ERVIN. And a person who had been convicted a hundred times to petty larceny, a misdemeanor, would have an absolute right, under the bill, to have his name placed in the jury box, if he were selected at random from the registration list.

Mr. HRUSKA. The Senator is correct.

Mr. ERVIN. Does not the Senator from Nebraska agree with the Senator from North Carolina that those provisions debase the jury system in the Federal courts?

Mr. HRUSKA. One of the propositions I dwelt on in my preceding remarks deals with the potential debasing of the quality of Federal juries.

Mr. ERVIN. I thank the Senator for yielding. I was desirous of asking these questions in order to highlight why title I of the bill is reprehensible.

I should like to ask the Senator one more question: Is it not well established, by a multitude of decisions of the Supreme Court of the United States and by a multitude of decisions of State courts, that if a man of a certain race is tried for a crime and men of his race have been systematically excluded from grand or petit juries, his conviction is unconstitutional and is to be set aside?

Mr. HRUSKA. The Senator is correct. There have been a number of cases which spell this out very clearly.

Mr. ERVIN. I might state that I wrote a decision to that effect, when I was a member of the Supreme Court of North Carolina, in the case of State versus Speller.

Because of these decisions, I should like to ask the Senator from Nebraska whether he agrees with the Senator from North Carolina that there is no necessity for passing the bill in order to avoid racial discrimination in the selection of juries.

Mr. HRUSKA. Yes, I fully agree with the Senator from North Carolina in that respect.

Letter after letter from the 58 judges of the several district courts to whom the Senator from North Carolina addressed a letter, followed by a second letter jointly signed by the Senator from Nebraska and the Senator from North Carolina, said, in effect:

> Why is it that we have such a bill? We see no necessity for it. We are getting along well. There is no complaint. We are getting good juries. We are getting proper administration of justice.

They cannot see why any such sweeping, revolutionary change in the mechanics of selecting juries should be proposed.

Mr. ERVIN. I should like to make a comment, without the Senator from Nebraska losing his right to the floor.

If title I is defeated—as I sincerely hope it will be—the bench and the bar and the litigants of America will owe a deep debt of gratitude to the distinguished Senator from Nebraska, who has been untiring in his efforts to discover and point out the defects in title I.

Mr. HRUSKA. I thank the Senator for his gracious remarks.

RECESS UNTIL 11 A.M. TOMORROW

Mr. HRUSKA. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until 11 o'clock a.m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 26 minutes p.m.) the Senate recessed until tomorrow, Wednesday, September 14, 1966, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate September 13 (legislative day of September 7), 1966:

UNITED NATIONS

The following-named persons to be representatives of the United States of America to the 21st session of the General Assembly of the United Nations:

Arthur J. Goldberg, of Illinois.

James M. Nabrit, Jr., of the District of Columbia.

William C. Foster, of the District of Columbia.

CLIFFORD P. CASE, U.S. Senator from the State of New Jersey.

FRANK CHURCH, U.S. Senator from the State of Idaho.

The following-named persons to be alternate representatives of the United States of America to the 21st session of the General Assembly of the United Nations:

James Roosevelt, of California.

Mrs. Eugenie Anderson, of Minnesota.

Mrs. Patricia Roberts Harris, of the District of Columbia.

George L. Killion, of California.

Harding F. Bancroft, of New York.

U.S. ATTORNEY

John P. Hyland, of California, to be U.S. attorney for the eastern district of California for the term of 4 years, to fill a new position, to become effective September 18, 1966, created by Public Law 89-372 approved March 18, 1966.

U.S. MARSHAL

Wayne B. Colburn, of California, to be U.S. marshal for the southern district of California for the term of 4 years, to fill a new position, to become effective September 18, 1966, created by Public Law 89-372 approved March 18, 1966.

CONFIRMATION

Executive nomination confirmed by the Senate September 13 (legislative day of September 7), 1966:

FEDERAL POWER COMMISSION

John A. Carver, Jr., of Idaho, to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1968.

HOUSE OF REPRESENTATIVES

TUESDAY, SEPTEMBER 13, 1966

The House met at 12 o'clock, and was called to order by the Speaker pro tempore (Mr. BOGGS).

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

THE SPEAKER'S ROOM,
HOUSE OF REPRESENTATIVES,
September 13, 1966.

I hereby designate the Honorable HALE BOGGS to act as Speaker pro tempore today.

JOHN W. MCCORMACK.

PRAYER

Rev. Obie L. Harrup, senior pastor, First Assembly of God, Alexandria, Va., offered the following prayer:

Commit thy works unto the Lord, and thy thoughts shall be established.—Proverbs 16: 3.

We thank Thee, our Heavenly Father, that Thou didst raise up this Nation for an eternal purpose.

We need Thy help today as much as any time in our history. We pray that Thou will bless our President and these leaders of our Nation. Give them a wisdom that exceeds the academic. Help them to make wise and courageous decisions; decisions based upon truth and equity. Such decisions may not always be popular with the multitude, but above all we seek to please Thee.

We pray for a spiritual awakening throughout our Nation. It is still true that righteousness exalteth a nation, but sin is a reproach to any people.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

For the answer to these requests we thank Thee through Jesus Christ our Lord. Amen.

THE JOURNAL

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

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Jones, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On September 8, 1966:

H.R. 1822. An act for the relief of Won Loy Jung.

On September 9, 1966:

H.R. 2681. An act for the relief of Sidney S. Shapiro and Shirley Shapiro.

On September 10, 1966:

H.R. 1483. An act for the relief of the John V. Boland Construction Co.; and

H.R. 13703. An act to make technical amendments to titles 19 and 20 of the District of Columbia Code.

MESSAGE FROM THE SENATE

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

H.R. 420. An act to amend title 10, United States Code, to authorize the commissioning of male persons in the Regular Army in the Army Nurse Corps, the Army Medical Specialist Corps, the Regular Navy in the Nurse Corps and the Regular Air Force with a view to designation as Air Force nurses and medical specialists, and for other purposes; and

H.R. 11488. An act to authorize the grade of brigadier general in the Medical Service Corps of the Regular Army, 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 House to the concurrent resolution (S. Con. Res. 77) entitled "Concurrent resolution authorizing the printing of additional copies of hearings on supplemental foreign assistance for Vietnam for fiscal 1966."

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

SEPTEMBER 13, 1966.

The Honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith a sealed envelope addressed to the Speaker of the House of Representatives from the President of the United States, received in the Clerk's office at 9 p.m. on September 12, 1966, and said to contain H.R. 6926, an act to strengthen the financial condition of the employees' life insurance fund created by the Federal Employees' Group Life Insurance Act of 1954, to provide certain adjustments in amounts of group life and group accidental death and dismemberment insurance under such act, and for other purposes, and a veto message thereon.

Respectfully yours,

RALPH R. ROBERTS,
Clerk, U.S. House of Representatives.

EMPLOYEES' LIFE INSURANCE FUND—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 495)

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

For the second time in less than 8 weeks, I am forced to return a bill without my approval because it is inflationary.

The bill I am now returning—H.R. 6926—would increase life insurance coverage for Federal employees by over 30 percent—at an annual cost to the taxpayer of $90 million. If we were to extend equivalent increases in fringe benefits to all American workers, we would be fueling the fires of inflation by nearly $3 billion.

At a time when we are making every effort to reduce low priority Federal spending in other areas, this bill cannot be justified.

At a time when we are urging business and labor to exercise restraint, this bill would set a double standard for executive branch employees and Members of the Congress.

At a time when the Congress—at the request of the employee unions—has already added almost $300 million more than I requested to this year's cost of civilian pay, this bill cannot be supported.

In the past 10 years, the average Federal civilian salary rose by nearly 75 percent—from about $4,000 a year to about $7,000 a year. Since life insurance is geared to the annual salary, this means that insurance has also increased by 75 percent. Over the same period, the average pay of a factory worker increased 47 percent.

Since I have been President, there have been four successive civilian pay increases—and four insurance increases. The total cost of these increases has amounted to over $2 billion.

In addition, there have been very large increases in survivor benefits under the Federal employees' retirement system. This is equivalent to added insurance. In the case of a typical employee, the widow's survivorship annuity has risen by 94 percent since 1964.

These increased benefits must be protected. They must not be eroded by inflation.

I have already submitted to the Congress my recommendations on the Federal employee insurance program. My recommendations are fair and responsible. They would increase maximum coverage for employees in the upper grades from $20,000 to $30,000 and they would provide for an actuarially sound funding of the insurance program.

The House of Representatives initially approved my bill. The Senate Post Office and Civil Service Committee expanded the benefits of the bill beyond acceptable limits. Its action raised the annual cost of this program from the $12 million I had proposed to $90 million. It increased the maximum coverage—which would be applicable only to high level executive branch employees and Members of the Congress—from the $30,000 we had proposed to $42,000.

The Senate acted on this bill without the benefit of any debate. The House then accepted the Senate version with virtually no debate.

The bill goes far beyond my recommendations—and far beyond anything the American taxpayer should be asked to pay for at this time.

One point should be made clear. Government group life insurance was never intended to meet an employee's insurance needs entirely. It is—like other employee life insurance plans—meant only to supplement his private coverage.

Further, insurance for Government employees cannot be considered in isolation from other federally provided benefits. It must be regarded as a part of the total pay and fringe benefits an employee receives. Piecemeal increases in life insurance, without considering other benefits, will inevitably result in a compensation program that is unsound and inequitable.

We have worked long and hard to sustain 67 months—5½ years—of economic growth and stability. And every American has benefited. Yet this unparalleled prosperity has created new pressures on our economy. That is why, 4 days ago, I proposed a four-point program of immediate action for the Congress, the executive branch, and the American people.

One crucial aspect of this program is a substantial reduction in Federal spending. Many Members of Congress share my belief that our anti-inflationary efforts must include restraints on spending. The measure I veto today is totally inconsistent with our common goals.

I deeply regret that disapproval of this bill has the effect of deferring an increase in both agency and employee contributions. I would gladly approve a bill which enacted this provision, and provided for an increase in maximum insurance coverage up to level II of the Federal executive salary schedule—now $30,000. I also regret the delay in clarifying the application of Federal insurance law with respect to reemployed annuitants. I have directed the Attorney General to take every possible action to clarify this matter under existing law.

In returning this measure, I do so in the hope that Congress will adopt the insurance proposals I submitted earlier. Such a measure would be fiscally responsible. It would be consistent with the wage-price guideposts. I would be proud to sign it.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *September 12, 1966.*

The SPEAKER pro tempore. Without objection, the objections of the President will be spread at large upon the Journal.

There was no objection.

Mr. DANIELS. Mr. Speaker, I move that the bill and message be referred to

the Committee on Post Office and Civil Service and ordered to be printed.

The motion was agreed to.

HEALTH RESEARCH FACILITIES ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore. The Chair lays before the House a message from the President of the United States.

Mr. HALL. Mr. Speaker, in view of the message from the President, I believe the Members should be present. I make a point of order that a quorum is not present.

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

CALL OF THE HOUSE

Mr. MOSS. 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. 278]

Abernethy	Hagan, Ga.	Pool
Albert	Hagen, Calif.	Powell
Andrews,	Hanna	Pucinski
Glenn	Hansen, Idaho	Quie
Aspinall	Harvey, Ind.	Rees
Bandstra	Hathaway	Reinecke
Boland	Hébert	Resnick
Bolling	Helstoski	Rivers, Alaska
Burton, Utah	Hicks	Rodino
Callaway	Holifield	Rogers, Tex.
Celler	Holland	Roncalio
Cleveland	Huot	Roybal
Colmer	Jones, N.C.	St Germain
Conyers	Karth	St. Onge
Corman	Keith	Saylor
Craley	Keogh	Scott
Curtin	King, N.Y.	Senner
Davis, Ga.	Landrum	Sickles
Dent	McCulloch	Sisk
Dickinson	McMillan	Stephens
Diggs	McVicker	Stratton
Donohue	Macdonald	Teague, Tex.
Dorn	MacGregor	Todd
Duncan, Oreg.	Machen	Toll
Edmondson	Martin, Ala.	Tunney
Evans, Colo.	Martin, Mass.	Tupper
Fallon	Mathias	Tuten
Farbstein	May	Udall
Fascell	Michel	Van Deerlin
Fisher	Minish	Vigorito
Flynt	Morris	Walker, Miss.
Ford, Gerald R.	Morrison	Walker, N. Mex.
Ford,	Morton	Weltner
William D.	Murray	White, Idaho
Frelinghuysen	Nix	Widnall
Friedel	O'Konski	Willis
Gallagher	O'Neill, Mass.	Wolff
Garmatz	Pelly	Wright
Green, Oreg.	Philbin	Zablocki

The SPEAKER pro tempore. On this rollcall, 318 Members have answered to their names, a quorum.

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

HEALTH RESEARCH FACILITIES ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 496)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which, without objection, was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered to be printed with illustrations:

To the Congress of the United States:

The decade since 1956 has been one of unprecedented efforts in health research—and in future years, our commitment to this vital field will grow.

Success for our research efforts depends not only upon the dedication of thousands of professional researchers across the Nation, but upon the adequacy of the facilities available to them.

Realizing this, the Congress, through the Health Research Facilities Act, has provided since 1956 more than 1,330 matching grants totaling over $360 million for the construction or renovation of research space.

I believe this program is an impressive example of the commitment of our people to better health—and of our success in pursuit of that national goal.

It is with pride, therefore, that I submit for the information of the Congress, the 10th annual report of the Surgeon General summarizing our accomplishments under the Health Research Facilities Act, as amended.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *September 13, 1966.*

DESIGNATION OF DAM BEING CONSTRUCTED ON THE ALLEGHENY RIVER, PA., AS THE KINZUA DAM, AND THE LAKE TO BE FORMED BY SUCH DAM IN PENNSYLVANIA AND NEW YORK AS THE ALLEGHENY RESERVOIR

Mr. CLARK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3625) to designate the dam being constructed on the Allegheny River, Pa., as the "Kinzua Dam," and the lake to be formed by such dam in Pennsylvania and New York as the "Allegheny Reservoir."

The Clerk read the title of the bill.

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

Mr. CRAMER. Mr. Speaker, reserving the right to object, and I shall not object, for the purpose of the RECORD I should like to ask the gentleman if this is not the same bill as is presently before the Public Works Committee, the enactment of which is essential due to the fact that a dedication of this very important dam in Pennsylvania is scheduled to take place this weekend, and it is essential that the name of the dam be established in order to properly facilitate the dedication. Is that not correct?

Mr. CLARK. That is correct.

Mr. CRAMER. There is no expenditure of funds involved in this bill. Is that correct?

Mr. CLARK. None whatsoever.

Mr. CRAMER. This bill is identical, is it not, with that introduced by the gentleman from Pennsylvania [Mr. JOHNSON] on the House side?

Mr. CLARK. Yes, it is.

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

Mr. CRAMER. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. By what name is this project known at the present time? Under what name were the funds appropriated?

Mr. CRAMER. I yield to the gentleman from Pennsylvania [Mr. JOHNSON] who is the sponsor of similiar legislation, to answer the question.

Mr. JOHNSON of Pennsylvania. Mr. Speaker, in response to the gentleman, the present name of the dam on the records of the Army Corps of Engineers is the Allegheny River Dam and Reservoir. Out of deference to the local Indians and the fact that the site is at Kinzua, which is the name of the settlement of the Cornplanter Tribe, we are changing the name of the dam to "Kinzua Dam" and the reservoir to "Allegheny Reservoir."

Mr. Speaker, this bill to designate the Allegheny River Dam and Reservoir the "Kinzua Dam and Allegheny Reservoir" is a companion bill to the one that I introduced and I want to take just a few minutes to comment about the naming of this project.

The entire project is on lands of the Cornplanter and Seneca Indians and where the historical village of Kinzua stood for many years. The name Kinzua comes from the Indian word "Kenque" which I have been told means "place of many fishes."

Ever since the project was first discussed back in 1937 and 1938, it has been referred to as the "Kinzua Dam" and I think it is only fitting and proper that it be called the Kinzua Dam as a token of recognition of our Indian citizens and their contribution.

This great project will not only provide flood control and streamflow control but also a vast recreational potential. There is an ever-increasing need for wholesome outdoor recreation facilities demanded by our rapidly increasing population and this project will meet this need.

I am very pleased that the Congress has gone on record to name this immensely valuable project the "Kinzua Dam and Allegheny Reservoir."

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

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

There was no objection.

So the bill was read a third time and passed.

A motion to reconsider was laid on the table.

NASA'S GEMINI 11 MISSION

Mr. MILLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. MILLER. Mr. Speaker, NASA's Gemini 11 mission, our ninth manned mission of the Gemini series, is presently making its contribution to the success of the Gemini program, and the overall

manned space flight effort of placing a man on the moon in this decade. A few moments ago, Astronaut Gordon came back into the spacecraft after conducting our fifth series of extravehicular operations. Yesterday the Gemini 11 crew successfully accomplished the first rendezvous and docking in space within one revolution, by far the quickest of any rendezvous attempted to date. It is significant to note at this point in the mission that the Gemini 11 flight is following the planned schedule of events closer than any other Gemini flight to date. The next 2 days will see the accomplishment of still other milestones.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1967

Mr. NATCHER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 17636) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1967, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from Wisconsin [Mr. DAVIS] and myself.

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

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 17636, with Mr. PRICE 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 unanimous-consent agreement, the gentleman from Kentucky [Mr. NATCHER] will be recognized for 1 hour, and the gentleman from Wisconsin [Mr. DAVIS] will be recognized for 1 hour. The Chair recognizes the gentleman from Kentucky.

Mr. NATCHER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, at this time we submit for your approval the annual District of Columbia appropriations bill for the fiscal year 1967.

It is an honor to serve on the Subcommittee on the District of Columbia Budget with the gentleman from Connecticut [Mr. GIAIMO], the gentleman from Wisconsin [Mr. DAVIS], the gentleman from Iowa [Mr. SMITH], the gentleman from Pennsylvania [Mr. MCDADE], and the gentleman from California [Mr. MCFALL]. All of these gentlemen are outstanding Members of the House and have rendered excellent service as members of this subcommittee.

We carefully considered budget estimates totaling $423,903,800 for fiscal year 1967, and we recommend to the House that the sum of $380,650,600 be approved. This is the largest amount ever recommended by the committee for the District of Columbia budget. The amount that we recommend for fiscal year 1967 is $15,299,214 more than the total amount approved for fiscal year 1966 and $43,253,200 below the 1967 estimates.

As you know, Mr. Chairman, the District of Columbia is financed out of five funds; a general fund, a highway fund, a water fund, a motor vehicle parking fund, and a sanitary sewage works fund.

Mr. Chairman, we recommend a Federal contribution of $49 million for the general fund; $2,146,000 for the water fund, and $1,248,000 for the sanitary sewage works fund. The maximum Federal payment authorized at this time is $50 million and the amount recommended is the largest amount ever recommended by this committee.

Hearings on the District of Columbia budget started on March 21 and continued until April 29. As a general rule, Mr. Chairman, hearings on the District of Columbia budget always begin before the month of March and when concluded the bill is presented to the full committee and then to the House for final approval. This year we started late and after concluding the hearings held up the bill for months in order to see if additional revenue would be approved, which would place this budget in balance. The members of our committee were disappointed when this budget was submitted to the Congress out of balance and as you know, Mr. Chairman, this is the third consecutive year that an unbalanced budget has been submitted for the District of Columbia. The budget for fiscal year 1967 was out of balance $23,021,000 in the general fund and $12,876,000 in the highway fund. This makes a total of $35,897,000. The budget was predicated on revenues to be generated through additional taxes, a formula Federal payment, and this year additional loan authorization for the highway fund, all of which require congressional action before they become effective.

The reduction in the budget of $43,253,200 was necessary in order that a balanced budget be submitted, and further in order to establish a small reserve of $2,680,000 which can be used to help cover the cost of classified pay increase legislation already enacted and wage board increases approved by the Commissioners. The entire bill, Mr. Chairman, as presented today is based on existing legislation that has previously been signed into law and does not anticipate any money in the bill now pending in the House and Senate for additional revenue. I would like to further point out that all new positions except for schoolteachers and a few special cases, were requested on a 9-month basis and our committee recommends same on this basis.

Our committee recommends loan authorizations totaling $23 million. In addition to the Federal contributions which I have just mentioned, our committee recommends a loan of $22,500,000 to the general fund for public building construction. The budget proposed a total of $25,725,000 composed of $17,200,000 for public works projects and $8,525,000 to finance the District's contribution to the rapid rail transit system. Our committee recommends a $500,000 loan appropriation for capital outlay projects financed through the water fund and this makes a total of $23 million for the fiscal year 1967.

We recommend, Mr. Chairman, the sum of $22,098,000 for general operating expenses. This is an increase of $1,625,728 over the amount appropriated for fiscal year 1966 and $610,000 less than the budget estimates.

For public safety we recommend the sum of $85,203,000. This is an increase of $5,290,000 over fiscal year 1966 and a reduction of $549,000 in the estimates.

We recommend an appropriation of $80,093,000 for the operation of the public school system during the next fiscal year. This is an increase of $4,635,400 over the current year and $2,516,000 less than the budget estimates.

For parks and recreation we recommend $11,990,000 which is an increase of $1,075,700 over fiscal year 1966 and $266,000 less than budget estimates.

Our committee recommends the sum of $89,314,000 for the Department of Health and Welfare for the fiscal year 1967. This is an increase of $3,579,700 over fiscal year 1966, and $1,235,000 less than budget estimates.

For highways and traffic we recommend the sum of $14,830,000 for fiscal year 1967 which is an increase of $745,100 over the current year. This amount is $152,000 less than the budget request.

We recommend a total of $23,762,000 for the operation of the Department of Sanitary Enginering and the Washington Aqueduct during the ensuing fiscal year. This is $1,011,000 more than was appropriated for fiscal year 1966 and $486,000 below the 1967 estimate.

Mr. Chairman, our committee recommends approval of the full amount of the budget estimates for the repayment of loans and interest on money borrowed from the Federal Treasury to finance certain public works construction projects. This amount is $6,077,600.

We recommend a total of $45,730,000 for capital outlay projects in the coming year. This is $28,914,200 less than the budget request.

This is $6,070,800 less than the amount approved for fiscal year 1966. This reduction of course was brought about as the direct result of insufficient funds.

Thirty-eight new capital outlay projects were requested public schools and we recommend that 23 be approved. Those recommended are set forth in the committee report We recommend that the new health center be approved for the Department of Public Health and that two of the requested seven projects for the Department of Corrections be approved. Further, Mr. Chairman, we recommend 10 of the 24 capital outlay projects requested for the Department of Public Welfare and that 5 of the 6 requested for the Department of Buildings and Grounds be approved. For the Department of Highways we recommend 8 of the 17 and further recommend that 13 of the 17 capital outlay projects for

the Department of Sanitary Engineering be approved. We recommend all three of the projects requested for the Washington Aqueduct.

All of the capital outlay requests are set forth on pages 20 to 23 of the committee report.

I have served as a member of the Subcommittee on the District of Columbia Budget for a period of 12 years and during this time have had an opoprtunity to work with a number of Commissioners on budget matters for the District of Columbia. I know that all of our Presidents have endeavored to select outstanding citizens to serve in the capacity of Commissioner and in accepting the recommendation of the Secretary of the Army and the Chief of the Corps of Engineers for the appointment of an Engineer Commissioner has carefully and earnestly attempted to select a good Engineer Commissioner. We have good Commissioners serving at this time and I, for one, do not believe that when their decisions are right and to the best interest of our Capital City they should be ignored.

Here in our Capital City we have law-enforcement problems similar to those in all of the large cities in this country. We have a good Police Department and now is the time that support from the people is essential. We still contend that adequate sentences should be meted out where the defendants are guilty, and especially in those cases where the offender has a long record of law violations. Coddling of criminals is certainly detrimental to good law enforcement. The Metropolitan Police Department requested $42,133,000 for fiscal year 1967 and we recommend the full amount. Our committee does not concur and is still of the opinion that the staffing of the tactical force with policemen on their day off is poor law enforcement. We approve the request for the tactical force at this time but still are definitely of the opinion that the vacancies, which number some 200, should be filled in the Police Department. Additional funds have been allowed for recruiting programs and incentives. The increases allowed will also provide for permanent financing of the planning and development unit now temporarily financed by a grant under the Law Enforcement Assistance Act for beginning a metropolitan area police computer network, a closed-circuit television system, 25 civilian positions to replace policemen on nonpolice duties, and 35 additional police cadet positions.

The Fire Department in the city of Washington has again regained its No. 1 position under the rating of the American Insurance Association. This is an honor well merited and for a number of years now our committee has made every effort to see that the needs of our Fire Department are fully met in order to have a good Department and one recognized as such throughout this country.

With a budget out of balance $35,897,000, certainly all of the requirements of our Education Department cannot be approved. Our pupil-teacher ratio has improved considerably in our school system during the past 5 years. There were 38 capital outlay requests presented for our public schools and we recommend approval of 23. More would have been approved if funds were available. We still contend that 42 percent of the schoolteachers of the District of Columbia should not be temporary teachers and that, notwithstanding that teachers are difficult to recruit, proper standards must be maintained.

We have in our Capital City an outstanding Director of the Department of Public Health. Dr. Grant is one of the able men in this field and I believe that every effort is being made by our Director and the members of his staff to give to our Capital City the best Department of Public Health possible. We recommend a total of $56,436,100 for public health activities, which is an increase of $5,025,631 over the 1966 allowance. We recommend approval of the mental health and retardation programs, which includes the Area C Community Health Center.

Mr. Chairman, again I want to call attention to the fact that our Capital City receives its full share of all Federal grants. Set forth on page 2 of our report are the agencies receiving Federal grants for the fiscal year 1967 and these grants will total $118,867,685. This amount is not incorporated in the budget figures for the fiscal year 1967. The committee will be interested to know that public schools will receive $15,088,882; public welfare $17,039,999; highways and traffic $72,071,379; and the Police Department $772,078.

The budget proposed a total of 32,170 permanent positions for our Capital City in 1967. This is an increase of 2,012 positions. Our committee recommends 31,314 which is an increase of 1,156. It is important that our Commissioners keep in mind that as of July 31, 1966 there are a great many vacancies in authorized positions throughout the District government. On July 31, 1966 they totaled 2,056. You hear very little about the vacancies but a whole lot about new positions which are deemed necessary.

We are now proceeding with our new Central Library and this building will be one of the milestones in our Capital City. It will be a beautiful building, constructed under plans and specifications of a great architect. Other cities throughout the United States are following this project carefully and only recently one of the large cities expressed its interest to the extent that representatives will come to our city to get a little better understanding of the type of building to be constructed.

With available funds we are able to recommend 2 of the 7 requests for capital outlay items for the Department of Corrections, 10 of 24 for the Department of Public Welfare, 5 of the 6 requested for the Department of Buildings and Grounds, 8 of the 17 for the Department of Highways and Traffic, 13 of the 17 requested for the Department of Sanitary Engineering, and the 3 requested for the Washington Aqueduct.

There is a place for both a freeway system and a rapid rail transit system in our Capital City. We have repeatedly made this statement over the years and the members of our committee not only believe this to be true but are willing to make any and all recommendations which will bring about a proper rapid rail transit system and an adequate freeway system for the District of Columbia. In order to meet the tremendous day-by-day growth of traffic, the highway program must be carried along with the present rapid rail transit system. The current status of the highway fund has precluded the appropriation of new funds in this bill for highway construction of any magnitude, but these previously appropriated District funds are available and the matching Federal funds will be released as soon as the system is designed and approved. The District has not moved ahead at the required rate to meet the deadline of 1972 imposed by the interstate highway legislation.

As of December 31, 1965, there was a balance available of $172,200,691 composed of $20,927,305 in District funds and $151,273,386 in Federal funds that will be released as soon as the projects are designed and approved. Planning decisions have been and still remain the key obstacles to progress. There are 13 elements in the freeway and parking system that require decisions before work can actually proceed. These projects are set out on page 430 of part II of the printed hearings along with a number of studies that have been made on each over the past 20 years.

For a period of 5 years now, our committee has attempted to go along on every request concerning our rapid rail transit system and our freeway system. Time after time when funds were appropriated for projects the plans were discarded and filed away. Millions of dollars have been invested and this money is money down the drain. If the people in our Capital City really understood what has transpired in our freeway system during the past 5 years they would be amazed.

From 1961 up to the present time we have pointed out in our hearings time after time the fact that millions of dollars has been expended for planning with no action to place the projects under construction. The same projects have been up for consideration year after year and by virtue of delay each of the projects now will cost hundreds of thousands of dollars more to finally complete and the overall amount will run into the millions. This was fully developed in the hearings before our committee this year. Time is passing and the pressure groups who have succeeded up to this time to halt our freeway program are jubilant. We are called upon to authorize the borrowing of $8,525,000 for the District's contribution for the construction of a rapid rail transit system for the fiscal year 1967 and at the same time have on hand $20,927,305 in District funds which have been available now for several years for use in continuing our freeway system. At the same time the Federal Government has authorized and appropriated the sum of $151,373,386 for use with the above figure on our freeway system. Now is the time to have a thorough understanding and an agreement as to the construction of our freeway system and the continuation of our rapid rail

transit system. A balanced transportation system is necessary and both freeways and rapid transit must go forward together.

We have reached an impasse insofar as our freeway system is concerned and now is the time to eliminate the roadblock which some believe was permanently fixed.

In our freeway program for fiscal year 1963 we were to spend $47.8 million and instead only $35.5 million was expended. For fiscal year 1964 the sum of $45.4 million was to be expended and only $25.4 million was expended. For fiscal year 1965 the sum of $69.5 million was to be expended and only $18.3 million was expended. For 1966 fiscal year the sum of $82.4 million was to be expended and during the first 6 months only $8.3 million was expended. As of December 31, 1965, our Capital City has fallen behind its orderly schedule of expenditures to the tune of $172,200,691.

We must keep in mind that here in our Capital City the decisionmaking machinery for our freeway system does not rest solely with our Commissioners. Each decision involves the participation of some half-dozen Federal agencies and freeway opponents within this group, and especially on the National Capital Planning Commission have used this out-of-date machinery to delay decisions and to make every effort to destroy our freeway system. Each month of inactivity simply means that millions of Federal dollars will be lost and our capacity to complete the system will decline. The opponents of the freeway system know full well that it is impossible to build major portions of this system until a firm decision is reached on the system as a whole.

After the program was stopped in June of 1963 the Arthur D. Little Co. was employed at a cost of $60,200 with a resulting report which simply stated in substance that the highway program should be brought to a complete halt. After some 7 weeks of huffing and puffing this company succeeded in bringing forth a mouse. The crux of this report was to the effect that the District should stop planning freeways in terms of a total freeway system and instead should commit itself only to the construction of one link in the system at a time. This is directly contradictory to all good freeway planning and we called before our committee Rex Whitton, the Director of the Bureau of Public Roads to find out what system was the best for our Capital City at this time. During the past several years our hearings will disclose the fact that no qualified engineer agrees with such a report.

From day to day we hear statements to the effect that our neighbors in Virginia and Maryland are to be considered from the standpoint of constructing an adequate rapid rail transit system and certainly this same argument can be applied to the construction of an adequate freeway system. One of our neighbor newspapers in an editorial stated, and I quote:

> We have often heard it said that the road to Hell is paved with good intentions. We wonder what, if anything, can be paved with the reports of highway and transportation consultants.

The 13 elements in the minimal freeway and parkway system for the District are as follows: Northeast Freeway, North-Central Freeway, Palisades Parkway, Three Sisters Bridge, the 14th Street Bridge, Potomac River Freeway, south leg, north leg west, north leg central, Northeast-North Central Freeway, north leg east, east leg, and the intermediate loop.

During the past 20 years, millions of dollars have been expended in making studies of the above sections of our freeway system. The Northeast Freeway is now under restudy notwithstanding the fact that from 1946 through 1966 eight studies have been made and thousands of dollars expended. From 1959 through 1966 five studies have been made on the North-Central Freeway which is again under restudy.

Thousands of dollars have been expended to make six studies from 1950 through 1965 on the Palisades Parkway which at the present time is again under restudy.

Eight studies have been made of the Three Sisters Bridge beginning in 1953 and extending through 1965. A planning decision is now pending on this project. This is one of the projects that we have appropriated money to complete but we are back again to a planning decision.

The 14th Street Bridge has received a number of studies and, pursuant to H.R. 11487, was approved for final design and for funding.

The Potomac River Freeway is again up for a planning decision. From 1950 through 1966 eight studies were made on this particular project and thousands of dollars have been expended and plans for all 13 of the elements in the existing system costing millions of dollars have now been filed away.

From 1952 through 1966 seven studies, costing thousands of dollars, were made of the south leg and here again we have a project that is up for a planning decision.

The north leg west has been studied seven times from 1950 through 1966 and we are still in the planning decision category.

We are still in the planning decision category for the north leg central notwithstanding the fact that from 1955 through 1966 seven studies were made at a cost of thousands of dollars.

Eight studies costing thousands of dollars have been made of the Northeast-North Central Freeway from 1946 through 1966 and again this project is marked in the category of being under restudy.

A planning decision has been pending for years on the north leg east notwithstanding the fact that six studies have been made of this project from 1950 through 1966.

We are now informed that a planning decision is pending on the east leg notwithstanding the fact that six studies have been made of this project from 1955 through 1966.

Instead of falling in the category of a planning decision pending, which of course, really means nothing from the standpoint of actually proceeding with the construction of our freeway system, we find that the intermediate loop is marked properly as being in the indefinite category notwithstanding the fact that we have had five studies from 1950 through 1965.

On pages 426, 427, and 428 of the hearings for fiscal year 1967, part II, may be found the agency planning, consultant studies, and currently active consultant studies together with the total cost which is some $8,229,623.

The total approximated study cost of over $8 million does not include 11 studies for which figures were not available to the committee. It is estimated that these costs would raise the figure to over $10 million spent since 1946. In considering our freeway system we must keep in mind that the Washington metropolitan region by estimate will increase to 3.4 million by 1980 and 5 million by the year 2000. The number of tourists visiting our Capital City will increase to 24 million by 1970 and 35 million by 1980. Still important and a fact that must be considered is that the number of Federal employees in the District of Columbia region is increasing at the rate of 4,000 to 5,000 a year. Automobile and truck registration in the Washington metropolitan area will increase to 960,000 by the year 1980. As one member of this committee I am convinced that the National Capital Planning Commission and the Policy Advisory Committee have not, up to this good day, made the necessary moves to place the freeway system in a position where it can go under construction. The Policy Advisory Committee statement which followed the Arthur D. Little Co. report is full of ambiguous language and really means very little.

Freeway opponents have succeeded up to this time in knocking down all of the main conclusions reached by transportation experts after 20 years of study costing millions of dollars and this premeditated foolishness must stop.

Our Capital City must not be embarrassed by further studies and further inaction and more wasted money in the completion of our freeway system. Meaningful decisions must be made now to remove the planning obstacles set up by opponents of our freeway system.

Our ability to complete our present freeway program on schedule was carefully examined during the hearings and on page 481 we find a statement made by Thomas F. Airis, the Director of the Department of Highways and Traffic, concerning this matter as follows:

> Now, sir, when I appeared before you last year, I stated that the obligation of funds at the required rate, as shown on the chart at that time, would be a difficult and demanding job. I also pointed out that a tremendous amount of construction would have to be undertaken concurrently during this period which would require extremely tight and coordinated scheduling to insure that the normal functions of the city can be maintained with only reasonable interruption during the construction period. I concluded that I was still confident that we could complete the program on schedule.
>
> I know that it is obvious to you from the chart that I have just shown you that we have not moved ahead at the required rate

and that the difficulties of completing the program on schedule have been further compounded. In all honesty, while the chance of completing our program on schedule still exists, it will be more difficult than had we secured our needed planning decisions during the past year. In order to complete the program within the required timetable, we must have an immediate breakthrough on all remaining planning decisions for the Interstate System for the District of Columbia. By this, I mean that we should be prepared to proceed with actual design of the remainder of our system no later than this summer. Any delay beyond this point will mean that we simply cannot complete the system on schedule.

Mr. Chairman, our committee approved $2 million last year to start the rapid rail transit system and today we favor the completion of this system. At the same time we are not in favor of permitting our highway system program to be destroyed. Until we have decisions upon which we can rely placing the highway program underway we are unable to recommend that the District government borrow $8,525,000 to continue the rapid rail transit system. We do not want to experience again what we did in 1963. This must not take place.

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

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

Mr. GROSS. Mr. Chairman, I thank the gentleman for yielding and I wish to commend him for his clear statement on a number of the issues that confront his committee with regard to the District of Columbia. I wonder how the District of Columbia—those entrusted with the administration of it, the Commissioners and others—how they would expect to finance a subway system in the District of Columbia if they cannot complete the freeway system?

I wonder if the gentleman could give us any estimate as to what this subway system would cost. I know that the gentleman from Kentucky is being belabored in the District of Columbia because of his insistence that the highway system be completed before some other venture is embarked upon here. I wonder how they expect to finance a subway system.

Mr. NATCHER. I want to thank my friend from Iowa for the question he has asked, and I want the Members to know that it is an important question that must be answered at this time.

The subway system as it is underway at the present time will have a route of almost 25 miles. The total estimated cost is $431 million of which the District will contribute $50 million, and it will be necessary to borrow every dime of it from the U.S. Treasury. Of the total, $100 million is payable from Federal funds and comes under the jurisdiction of the Interior Appropriations Subcommittee, chaired by my distinguished friend the gentleman from Indiana [Mr. DENTON]. The balance of $281 million will come from the issuance of bonds to be retired out of the fare box, and my friend from Iowa knows as well as I do that that will never take place. The $50 million to be borrowed must be repaid by the District of Columbia at the going rate of interest set by the Treasury Department. The $100 million will be borrowed, as the gentleman knows, by the Federal Government, and as far as the $281 million of bonds, they will be in the same position as the bonds for the stadium that my distinguished friend from Iowa has called to the attention of this House on many occasions.

In connection with the highway program there is over $20 million on hand—not funds that would revert to the Treasury—that have been appropriated over the past 4 or 5 years. In connection with the rapid transit system we were called upon to authorize borrowing a little over $8 million for the District's contribution to the cost of the 1967 construction program.

I think in all fairness to the House that those of us who believe that a rapid transit system should go along with the highway program ought to put it right on the table and let the Members see the total cost. There is compact legislation now pending in one of the other committees. The gentleman recalls that 3 years ago an authorization bill was brought out for a rapid transit system and it was recommitted. It received less than 90 votes. It provided for 87 miles at a cost of $778 million, and bonds to be issued with interest estimated to run over $1 billion.

That proposal was cut back to a 25-mile subway system, and it will probably cost more than estimated and the bonds will not be retired out of the fare box.

Some Member will stand in the well of this House and ask that the District of Columbia be permitted to borrow additional money, and the gentleman from Indiana or his successor 20 or 30 years from now from his subcommittee will be down here asking the same thing.

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

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

Mr. GROSS. I would like to commend the committee for setting forth, I believe for the first time, the Federal grants to the District of Columbia. I think the Members of the House ought to realize that $118 million—almost $119 million—is being ladled out in the District of Columbia in addition, as I understand, to the nearly $50 million this committee makes available.

Mr. NATCHER. The gentleman is exactly correct. This is the first time, to my knowledge, that we have placed such figures in a committee report.

In addition to the Federal payment that is approved by this House each year for the District of Columbia, $49 million this year, over $118 million in Federal grants will be available over and above the funds in the budget for 1967.

The gentleman from Iowa will also be interested to know that since our hearings were held, some $7 million in additional grants have been or will be received by the District of Columbia during the fiscal year.

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

Mr. NATCHER. I yield to the gentleman from the Commonwealth of Kentucky [Mr. CHELF].

Mr. CHELF. Mr. Chairman, I would like to say to the gentleman in the well that I want to congratulate and commend him, not only as the chairman of the Subcommittee on the District of Columbia, but his entire committee for bringing this bill to the floor. I appreciate his backing and defending the Washington Police Force and Fire Department. They are deserving of our confidence.

He is an old prosecutor, and I am an old prosecuting attorney. We can certainly sympathize with the police force of any town, most especially the one here in the Nation's Capital, who have to cope with such lenient judges and their light decisions.

It is the most demoralizing and discouraging thing under the sun for policemen—as the gentleman has said so ably and so well—to have to spend days and weeks and months getting the facts, the proof and evidence to convict some of these fellows, who have long records behind them, and then, once having obtained an indictment, a trial and a conviction on the evidence, the trial judge gives them, as the gentleman so aptly said, "a pat on the back." This is hard for a policeman to take. If this isn't stopped, law and order will develop into anarchy, bedlam, and total disregard for all law.

This is the trouble not only with the Nation's Capital today but the trouble throughout the entire length and breadth of our country. Being lenient with convicted defendants is encouraging riots and all manner of trouble. The gentleman understands full well this problem. I want to commend the gentleman and his committee for speaking out and encouraging our fine police force here. The good Lord knows they have had hell on earth to cope with conditions in this man's town. It has gotten so bad that Police Chief Layton is having serious trouble in recruiting young officers. I am informed that many young men refuse enlistment in Washington's police force because they honestly believe they are looked upon by some as a necessary facility rather than a protector and a defender of law-abiding citizens. These brave men risk their lives every time they patrol our streets and they are entitled to our wholehearted support and loyalty.

The gentleman and I are very close friends. We sit here many, many times together. He has told me on several occasions what a fine fire department and police force we have here.

It takes guts and raw courage to speak up, and the gentleman has plenty of both. He comes from the salt-of-the-earth people back in Kentucky.

I commend him also on his very fair viewpoint pertaining to the subway and our highways. Let us not let one of them get ahead of the other. Let us keep them together, as horses in a team, pulling together. We need both horses at the same time—therefore let us feed them equally and all will be well.

Mr. NATCHER. I thank my friend.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

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

Mr. SMITH of Virginia. Mr. Chairman, I would like to take the gentleman back to the discussion of the highway system, the rather tragic system.

The CHAIRMAN. The time of the gentleman has expired.

Mr. NATCHER. Mr. Chairman, I yield myself 2 additional minutes.

Mr. SMITH of Virginia. I sympathize with the gentleman's feelings about the futilities of his situation, because I have had a great deal of that since I have been here on the District Legislative Committee.

First, I would like to find out from the gentleman what his future intentions are about the rapid transit. Is that going to be laid aside until they start building some highways?

That subject has been under study for a great number of years. As the gentleman knows, we have hardly reached the culmination of that study in the form of legislation, and the thing has been authorized. The States have passed legislation. The Congress has now on the calendar for a rule for consideration a compact which has been recommended by the Judiciary Committee of the House. Do we stop these activities? Does the gentleman intend to hold this project up for something he is really not responsible for?

Mr. NATCHER. Mr. Chairman, I would like to say to my distinguished friend that I for one hope that before this bill is finally enacted we will be in a position to come back to the House and say, if we are given the opportunity, that we are now in a position to recommend that the appropriation portion of the $8,500,000 be borrowed and be made available for the District's contribution to the rapid transit system. Based on the amount allowed in the Interior appropriation bill the figure would be approximately $4 million.

Before this bill is finally enacted I hope that will take place.

The National Capital Planning Commission is scheduled to hold certain meetings this week.

As the distinguished gentleman from Virginia knows, and knows much better than I do, there are a great many people who have, all down through the years, tried to destroy the highway system in the District of Columbia to put the rapid transit system ahead.

We are not against rapid transit. For the gentleman's information, since we have seen in the newspapers references that the transportation agency will have to lay off engineers and so forth unless something is done, I would like to advise the House as to funds already available for the rapid transit system.

I hold in my hand a letter from the President of the Board of Commissioners, and also a letter signed by the acting Director of the National Capital Transportation Agency, requesting our committee to grant permission, as my distinguished friend from Wisconsin [Mr. DAVIS], and the other Members know, to reprogram nearly $2 million of funds appropriated for 1966.

Let me say to the gentleman, as a matter of record, we have no desire to stop the rapid transit system. This desire also does not apply to the Commissioners of the District of Columbia including the Engineer Commissioner. This desire also does not apply to the gentleman's committee, the Legislative Committee on the District of Columbia.

All we ask is that everything be put on top of the table as to what is involved, so we can take a good look at it. Then let us move both systems along. We hope that will happen in the very near future.

Mr. SMITH of Virginia. I thank the gentleman very much.

I do not want to take my seat without expressing to the gentleman my appreciation, and what should be the appreciation of the Nation, for the patient and often futile job he has undertaken in carrying on this bill. I know what is involved. I admire the gentleman for being willing to undertake this very thankless task.

I am not quarreling with the gentleman's position about this. My purpose in making the inquiry is to get the rather comforting assurance I get from the gentleman, that this does not mean this whole business is to be laid aside, after all the work that has been done on it.

I do hope something can be done, and I will cooperate in any way I can, toward bringing about a situation, so that before the bill is passed, in which something will be taken care of for rapid transit. As the gentleman says, let us move both systems of transportation along at the same time. We need both of them, and we are getting to need them more every day.

Mr. NATCHER. I thank my distinguished friend from Virginia.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I believe every member of this subcommittee strongly supports this bill, not because it is free from controversy, not because there is not adequate ground for controversy, but because of a recognition that this is the best possible solution we could find under some very difficult circumstances involving the fiscal affairs of the District of Columbia.

This is in truth a Natcher bill, not just because the bill bears his name or because the report is submitted under his name, but because this handiwork is in truth the product of great dedication and unlimited work on his part in order to provide a formula for handling this fiscal situation in the manner that it has been brought to you here today.

Because of our great appreciation of our chairman and our recognition of his solution of many harassing problems, we do find it easy fully to support the bill which he has brought here and the report that he has submitted to you. We are acting here today in this Committee, as sort of the fathers of the District of Columbia, and I suspect this too is rather appropriate, because as I see it one of the problems, and one of the real grave problems, of this Federal District has been, over the years, a rather meddlesome and not always benevolent paternalism.

This is in truth a kept city. We talk today in terms of $49 million, which you will see is the amount of the Federal contribution, or the actual appropriation of general Federal funds for the operation of this District of Columbia, but actually this is only a part of the story. I think it might be said that this is only a minor part of the story, for in addition to the Federal contribution of $49 million which, by the way, is the largest in the history of our country, there is included the authority to borrow $22.5 million. I was surprised to learn—and I suspect many of you were not aware—of the fact that when there are capital projects to be constructed here in the District of Columbia they do not do as you do back in your home communities and issue bonds for the purpose of constructing schools or highways or similar projects. They are simply authorized to go down and withdraw the money, that is, the Commissioners for the District of Columbia are authorized to go down and withdraw the money from the Federal Treasury, and then pay the going rate of interest back to the Federal Treasury. So there is technically no bonded indebtedness here in the District of Columbia. However, there is a borrowing authority, and an accumulation of borrowing direct from the Federal Treasury for which the District of Columbia government is held responsible.

So there is authority to go down and dip into the Federal Treasury for another $22.5 million. In addition to that, as the chairman of the subcommittee pointed out in response to a comment from the gentleman from Iowa, this bill and the appropriated funds here, are supplemented by $120 million, in round numbers, of Federal aid for the District of Columbia. So what we are talking about here today actually is not $49 million of Federal contributions, but we are talking about $49 million plus $22.5 million, plus $120 million, a total of $191.5 million, which is authorized to be withdrawn from the Federal Treasury.

Let me give you a couple of examples of this not-so-benevolent paternalism which has plagued the affairs here in the District of Columbia. A few years ago some people decided it would be nice if they had an unusual playground for the children of the District of Columbia. So there was created this unusual playground. They took the site, a site that had been previously acquired for the purpose of building a junior high school. This was to be a temporary thing.

But, Mr. Chairman, when the time came that the Commissioners for the District of Columbia decided, and gave their approval to, the construction of the junior high school on that particular site, some of the paternalists, at high levels of government, decided, "Well, some of these things for the youngsters to play with are now imbedded in concrete and we just do not have the heart to take that away from the children. So, you will have to go before the Natcher committee and get some money to buy a site on which this junior high school can be placed.

Well, Mr. Chairman, this bill does not contain any money for that site, any more than last year's bill contained any money for that site.

Mr. Chairman, there are funds contained herein for the planning that is necessary for this badly needed junior high school. But I believe this Committee has the responsibility to determine, really, whether or not this responsibility should be on the back of someone else to assure that there is a site for this badly needed junior high school, and at the expense of someone else, other than the taxpayers of the District of Columbia who were deprived of that previously acquired site.

Mr. Chairman, this serves to point up, I believe, some of the problems that exist here in connection with the school system in the District of Columbia.

Mr. Chairman, in the communities from which all of the Members of the Committee of the Whole House on the State of the Union come and from which I come, we have to accept the responsibility for the construction of our schools, the maintenance and the operation of them, and I suspect that there is not one of you here who does not come from a community that, finding itself confronted with the necessity of expanding school facilities, went out and bonded themselves for the necessary funds with which to construct them, these additional school facilities, and they have continued the responsibility for it. The people of those communities knew what their responsibility was, both for the expansion of the school system and for the money that it took with which to build those schools.

Well, Mr. Chairman, in the District of Columbia the members of the School Board, through some legislative quirk, are chosen by the judges, the judges themselves selected by people at higher levels, and who have no responsibility to the people whom they serve.

So, Mr. Chairman, there is no basic line of responsibility between the citizens of the District of Columbia and those charged with the decisionmaking of the operation of our schools.

I believe, Mr. Chairman, that here we find ourselves confronted with the problem that inadequate revenues are made available, that the people here are encouraged to come to this committee—and they are not only encouraged to come before us, but I believe maybe incited to come before us, incited is undoubtedly a more descriptive word—and they are not only furnished with inadequate and with faulty information as to the situation, but they do come en masse before this committee.

Mr. Chairman, I believe this, too, is a part of the meddlesome paternalism which plagues the affairs of this District.

Then, Mr. Chairman, I can give to the Members of the Committee of the Whole House on the State of the Union a second example of meddlesome paternalism which is going to come here to roost right in the seats of this Chamber before too many years have passed.

This second example of paternalism was the decision made by some people in high places here a few years ago that we ought to have a fancy new stadium so that people would have a place to go and watch athletic events here in the District of Columbia. This was back in the 85th Congress.

I have read enough of the proceedings at that time to know that you were all assured that this was a $7 million project. I think a fair interpretation of some of the remarks that were made at that time were that this was not going to cost the taxpayers of this country any money. So what has happened? We do not have a $7 million stadium, we have a $20 million stadium.

Who is going to pay the interest on the $20 million? Well, they dropped it right back onto the District of Columbia. The interest on that investment is included in this bill that is before you today.

If the decision had been left to the people of the District of Columbia, I submit that they would have said, "It would be nice, but I do not think we can afford it."

So people at higher levels said, "Well, it is so nice, we want you to have it and you can worry about paying the interest."

Who was to pay the principal, who was to pay the $20 million that no one was going to have to pay for? Well, I will be darned if I know because this authorizing legislation made no provision whatsoever as to the payment of this capital investment at the time that it comes due. I quote the Chairman of the Board of Commissioners of the District of Columbia when he said, "I see no ultimate prospect of the stadium paying its way."

This is some rather expensive paternalism for which certainly this committee was not responsible but for which we find ourselves including money for in this appropriation bill that is before you here today.

Mr. Chairman, I include at this point a newspaper article from the Washington Post of September 13, 1966:

GAO CRITICIZES CONSTRUCTION DETAILS—DISTRICT OF COLUMBIA STADIUM HAS HOT SEATS FOR 5,000

Washington's stadium has radiant seating in case the President wants to take in a football game.

This special facility has never been used and the General Accounting Office listed it yesterday as one of the reasons why the stadium cost so much to build.

Originally estimated at $9 million, the stadium eventually cost $19.7 million.

In a 95-page report submitted to Congress, GAO found that 234 changes made while construction was under way increased the cost by $2.9 million.

In addition, it discovered that the elaborate system of rearranging seats from the third base line during the baseball season to the 50-yard line during the football season and erecting a fill-in stand cost more than can be recovered from the sale of the extra tickets.

The GAO report blamed no one in particular, although it implied laxity on the part of the D.C. Armory Board, which built and now operates the money-losing stadium.

GAO said a lesson can be found for other government agencies. Construction contracts should never be let before plans are completed and reviewed by governmental regulatory agencies.

Among the problems, construction was under way before it was learned that the stadium would not meet the city building code.

GAO found no basis for an Armory Board contention that contracts had to be let early and construction rushed to assure that the stadium would be ready for the 1961 Redskins' football season.

The Redskins' contract at old Griffith Stadium was about to run out and the Redskins were about to sign another five-year contract unless they could move into the new stadium, according to the Armory Board.

GAO said Armory Board records and discussions with officials of the Redskins and the then owners of Griffith Stadium indicated that the Redskins could have leased the old stadium for the 1961 season, making the big rush unnecessary.

GAO also said that the expensive change orders should have been but were not evaluated by the city's chief building official, the director of the Department of Buildings and Grounds. Some of the cost estimates for the changes were based "on incorrect or unsupplied data which had resulted in significant increases," the report said.

The rush to finish construction also resulted in the use of a concrete drying material that in combination with imbedded aluminum conduits produced a chemical reaction causing serious cracks in the concrete.

The radiant hot water heating system was installed in one section of the lower deck stands after a conference with the Secret Service over presidential facilities in the stadium. GAO said it couldn't find out why the heating system was expanded from the presidential box to an area which seats 5,000 spectators.

The Armory Board bought 74 frankfurter warmer units and stands but they are still in storage, GAO said. The concessionaire told the Armory Board they didn't meet his needs because they only warmed hot dogs and didn't cook them.

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

Mr. DAVIS of Wisconsin. I yield to the gentleman.

Mr. GROSS. I thank the gentleman for yielding.

Mr. Chairman, I assume that this stadium was built on the ability of the District of Columbia, as the gentleman mentioned a few moments ago, to go to the U.S. Treasury and borrow the money. I put "borrow" in quotation marks.

Is that not true that was the way the money was obtained for building the stadium?

Mr. DAVIS of Wisconsin. No. My recollection and understanding is that the money actually, this capital investment, was made available at that time through the sale of bonds to the public guaranteed as to the payment of interest by our Government. And it is in fulfillment of that guarantee, because the stadium is not self-supporting, that you will notice an item of about $730,000 to pay the tab on the interest on this outstanding investment.

Mr. GROSS. Can you in the State of Wisconsin put up a stadium, or can one be built in the State of Iowa on the same basis? If not, why this paternalism in the District of Columbia for a purpose of this kind?

Mr. DAVIS of Wisconsin. We have a stadium up in Milwaukee, Wis., that has been standing vacant all summer. But it was not intended, at least the arrangements were made to have the principal repaid. For the most part, this has been quite self-sustaining.

Mr. GROSS. But the Government has not guaranteed the interest payments on that stadium, has it?

Mr. DAVIS of Wisconsin. It certainly has not.

Mr. GROSS. Nor to the University of Wisconsin or to the University of Iowa or on any other stadium that the gentleman can think of?

Mr. DAVIS of Wisconsin. That is correct.

There are a few more items that I would like to comment on. One of them my chairman has touched upon. That is the matter of crime prevention here in the District of Columbia.

I think we all feel somewhat ashamed to recognize that here in the Capital of this Nation, the capital of the world, that we have to tell the members of our families and we have to tell the people who work in our offices, that they dare not walk within the shadow of the Capitol alone after sundown.

I want to assure you that insofar as money will do it, as consideration will do it, that this committee has provided everything in the way of dollars to provide for more adequate law enforcement here within the District of Columbia. I think it is fair to say, too, that we have stood behind the police force of the District of Columbia 100 percent in their efforts to control lawlessness within this Federal District.

I think it is a fair comment that elements who are the greatest critics of the police force are those who have caused and are causing the greatest problem for these harassed men in their effort to perform the responsibility of safety here within this District.

The chairman mentioned this grievous problem of highway construction in the District. I would only second what he has said. The program has been marked with a great amount of vacillation, and we acted the only way that we knew how in this bill to encourage them to go on with an orderly highway program here within the District.

There is no money in this bill for the subway. I think this, too, is proper. The chairman indicated in his remarks that he hopes the situation will resolve itself so that the money could be included in this bill by the time the conference report comes before us. I do not think I quite share my chairman's enthusiasm. As I told you last year in connection with a supplemental request, I think there are still too many unanswered questions about the ultimate cost and the prospect of repayment of our capital investment in this subway for us to proceed at this time, and I do not think that this delay that might be occasioned here will be lost time at all. I think it will give us time to find out the answers to some of the questions that we need to know.

I support this bill and I support it wholeheartedly. For those of you who might be inclined to restore or increase funds, I must caution you that there just is not any place for the money to come from. And for those who might be inclined to cut it I would again caution you that actually the District of Columbia in some categories needs to have more money than is provided in this bill, but the money simply is not there.

And I would suggest if we could get a greater attitude of "stand on your own feetism," I think every member of this subcommittee would be willing to appropriate every dollar to meet the governmental needs of the District of Columbia that the people of this District are willing to assume the responsibility to provide.

Mr. NATCHER. Mr. Chairman, I yield 10 minutes to the gentleman from Connecticut [Mr. GIAIMO].

Mr. GIAIMO. Mr. Chairman, I rise in support of this appropriation, and would urge all Members of the House to support it and not to favor any suggested cuts which may come along. I hope that none do.

I should like to pay my respects to the members of the subcommittee who have done an outstanding job, and particularly to my chairman, the gentleman from Kentucky [Mr. NATCHER]. How he ever accomplished this job I will never know. I have been amazed by the effectiveness of his efforts all year in working on this legislation, especially when we consider the fact that we did have before us a budget which was out of balance and which literally meant that the income of the District of Columbia from all sources, from its own revenues and from Federal contributions and from the Treasury Loan Authority, were not sufficient to pay the estimated amount of expenditures.

When we consider that the budget was somewhere between $35 and $36 million out of balance, our chairman is to be commended especially for the manner in which he suggested to many of us where, in fact the necessary cuts, the cuts which had to be made, were to be made.

Let me point out some interesting statistics. In the total operating expenses, the running of the everyday affairs of the District of Columbia, where we recommended $328,843,000, we cut that by a total of $5.8 million, which showed care and concern for the real needs of the District. We tried to minimize the amount of the cuts. Most of the cuts were made, of course, in the capital outlay provisions and in the contribution to the rapid rail transit system.

We have heard some comments made about the District of Columbia Stadium. I do not believe any of us on the subcommittee is happy about it. We certainly talk about it year in and year out with a great deal of unhappiness and chagrin, but the fact is that the stadium is a fact. The citizens of cities demand stadia, and we are, whether we like it or not, going to have to meet the obligations which were made some time ago by other Members of previous Congresses. The interest is going to have to be paid, and ultimately the principal is going to have to be paid. So talk as much as we will about it, the stadium in the District of Columbia in fact is there, and we are going to have to meet the financial obligations.

We hear a great deal of talk about the problems of the educational system in the District. Certainly those of us on the committee know there are problems in the field of education. There are unique problems, perhaps, in the District of Columbia insofar as the education of its children is concerned. I believe this subcommittee has done very well, has done the best it possibly could under the circumstances as far as the educational system of the District of Columbia is concerned.

Let me point out, as the report shows, that the educational budget is $80,093,000. In addition to that, there is the capital outlay provision for the educational department. Of the amount requested for the capital outlay provision, we have given them $24.6 million, which is a substantial figure. In addition to that, if the Members will turn to page 2 of the report, to which the gentleman from Iowa made reference earlier, concerning the Federal grants which are made directly to the District of Columbia, we will find there are $15 million in the form of direct Federal grants to the District of Columbia for its educational system. This makes a total roughly of $120 million for the school system of the District of Columbia.

That is not a small sum, I submit. We have been very much concerned on the subcommittee with the capital outlays particularly for the public schools. Year in and year out I have heard testimony from the Commissioners and people in the educational department and from any number of people at our public hearings who are terribly concerned, as properly they should be, with the capital outlay problems of the District of Columbia and the fact that many of our school buildings need replacing.

We are trying to do the best we can.

Let me point out that the total amount of estimates was $32,934,000, and we have granted $24,600,000 of that for the educational outlay construction program. I believe this is an indication of the awareness of the committee and the Congress for the educational needs of the District of Columbia.

As far as the other agencies are concerned, reference has been made to them by our chairman, and the distinguished ranking minority Representative of the subcommittee. I will not go into them at this time.

I would like to make reference to the problem of Federal grants, which was referred to earlier. Federal grants to the District of Columbia are estimated in 1967 to be $118,867,000. This is a great deal of money and this is in addition to all the other moneys, which are represented in the budget. Actually, this money is not part of this budget. I also caution the Members that this is not unusual. This is not something unusual which the District of Columbia is getting. Many of the other cities and many of the towns of the United States are getting awards and grants such as this.

These are the various programs which this Congress has passed from year to year. They stretch from urban renewal programs to the poverty program, to the educational assistance program, to vocational rehabilitation, to welfare and all other national programs. This represents the District share of the Federal

programs designed for all the United States, for any of the problems of urban America which the Congress in its wisdom has decided, year in and year out, are necessary and have to be done.

So this is not something unusual, I say, which the District of Columbia is getting.

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

Mr. GIAIMO. I am delighted to yield to the gentleman from Iowa.

Mr. GROSS. Will the gentleman not agree that there are items listed—and these are not all of them—on page 2 of the report which do not go to other cities in the country?

Mr. GIAIMO. I say to the gentleman, there may possibly be some, but most of them are the regular programs of Federal payment and participation with all the cities and towns, such as the urban renewal program, the library program, the Office of Civil Defense, the juvenile court, the corrections, the recreational program, and the like. I do not say that every single one of them is, but most of them are.

Mr. GROSS. There is, for instance, a rather substantial appropriation here for a grant to the District Police Department. Are Federal grants made to the gentleman's police department in his home city in Connecticut?

Mr. GIAIMO. So far as I know, they are not.

Mr. GROSS. If the gentleman will yield further, I should like to ask another question, and this is based upon questions the gentleman asked in the hearings, to be found on page 94. I do not suppose the gentleman has a copy of the hearings before him as he stands in the well, but if I read the hearing record correctly, the gentleman fairly well established that the tax on a $30,000 home in the District of Columbia was $382, by comparison with far higher taxes in Boston and other cities in the country. Why is there such a low tax rate in the District of Columbia?

Mr. GIAIMO. I agree completely with the gentleman. If he will bear with me for a few moments, I will get to that point.

Mr. Chairman, to conclude this portion of my remarks let me say again I commend the members of the subcommittee, and particularly the chairman, for doing what I consider to be an outstanding job.

In my opinion, and of great concern to me, the question is, Where do we go from here?

I believe it is rather clear to all of us that this year's budget is not going to be greater than the budget for next year or the year after. I do not believe the budgets for the District of Columbia, or for any of our cities, are going to decrease with the coming years.

This leads me to want to point out the critical position in which we find ourselves at the present time. We find ourselves, as has been stated earlier, in a position where the Federal payment suggested in this bill is $49 million, and where the authorized Federal payment is $50 million.

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

Mr. NATCHER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. GIAIMO. In other words, we are appropriating $49 million of the $50 million authorized. I submit to the Members, for their consideration, that in the coming years the Federal payment will have to be larger, not smaller.

We have been told, and properly so, that the District of Columbia also has an authorization to borrow money from the Federal Treasury. The District of Columbia has in fact borrowed money over the years from the Federal Treasury, which it subsequently must pay back. The authorized amount of money which the District can borrow from the Federal Treasury stands at $175 million. As I understand it, at the present time there is $46 million of that authorized amount available for borrowing, of which we are in this appropriation bill appropriating the amount of $22.5 million.

This leaves for future years an authorized borrowing authority amounting to $23.5 million. If we assume that next year we will allow the District to borrow at the same rate which we appropriated for them this year, it means we will totally consume the authorized borrowing power. So if we have gone right up to the ceiling on our authorization for Federal payment and our authorization for borrowing from the Treasury, this House should concern itself with the fact that most likely we are going to have suggested authorizing legislation in the coming year to increase the borrowing capacity of the District of Columbia, and perhaps most likely also the authorized Federal payment.

I submit we must all concern ourselves with this. I am not one of those who says that the District has to stand alone on its two feet. I think they must stand on their own two feet, but I do think also there is a very real Federal responsibility here because this is the Capital City of the Nation, and because it is the city about which all Americans are concerned and are interested in.

So I think there is going to have to be a better feeling of cooperation and a better working attitude on the part of the people in the District and the Federal Government. I am certain, for one, that we are going to have to increase in coming years the Federal payment, and also the borrowing capacity of the District. I am equally certain we will have to do something about revenues in the District which are to be raised by the people of the District of Columbia, and by their government. This, I submit, is where I concern myself with the problem raised by the gentleman from Iowa [Mr. GROSS]; namely, that something is going to have to be done about increasing the real estate taxes in the District of Columbia.

Now, this is not an easy thing to suggest. I suppose people will say it is easy for me, coming from Connecticut, perhaps, and not paying taxes in the District of Columbia, to suggest this. Perhaps one would hesitate to suggest it in one's own home town. Still, the fact of the matter is that it must be of concern to us in the District of Columbia to try to raise our tax revenue base so as to further increase the amount of income from the real property taxes of the District.

Also I submit that there are pending measures before the Congress at this present time, before this body, which would contribute toward increased revenues for the District of Columbia. I hope that action will be taken on some of these measures before this Congress ends.

All in all, Mr. Chairman, action of this type will increase the revenues of the District of Columbia and, in addition, when we consider that we will probably have to increase in coming years our Federal payment and our loan authorizations, increased real estate taxes will have to come in order to meet the ever-growing needs of the Distict of Columbia budget. We may not like it, but I am convinced that it is going to happen, and will have to happen if we are indeed going to be able to try to meet the pressing needs of this city.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. I think in line with what the gentleman from Connecticut said, it should be pointed out to the Members of this Committee that the District Commissioners already have the authority to raise the real estate taxes, and no legislative authority needs to come from the Congress for that purpose.

Mr. GIAIMO. As I understand, the gentleman is correct. What I made reference to, as far as the Congress is concerned, are certain other revenue raising measures which as I understand it have passed the other body, and are pending before this body, and upon which action has not been taken.

The CHAIRMAN. The time of the gentleman has expired.

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

Mr. GIAIMO. I think these revenue measures should be carefully studied and in my opinion many of them should be approved. This will contribute toward increased revenues which, together with increased real estate tax revenues and increased participation by the Federal Government through the increase in the Federal payment and loan authorizations, are going to meet the future needs of the District. I say this because, quite frankly, our subcommittee and our chairman, particularly, are being put in an extremely difficult position where the District looks to us to provide the necessary revenues and where our hands are tied because we have just so much money which by law we can appropriate in order to meet the obligations and the expenses of the District of Columbia.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I would say to my friend, the gentleman from

Connecticut [Mr. GIAIMO], that I appreciate his statement. But, Mr. Chairman, I have been here a few years and I have heard the same thing over and over and over again—that next year we hope the Commissioners will raise property taxes in the District of Columbia.

Tax increases in the District of Columbia are few and far between.

As the gentleman from Connecticut well said in the hearings—and I am sure it is true over most of the rest of the country—the taxes on a $30,000 home in a suburb of his home city would be more nearly $1,000 than $382 as levied in the District of Columbia.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Of course I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I also want to add to that, that I specifically asked the question of the Commissioners, "Do you deny that you have authority to raise taxes on your own, if you want to?"

They said, "We do not deny that at all; we can do it."

To be perfectly fair, they did raise taxes more this year than they have been raised all over the United States. But the rate is not as high as the rate prevailing over the balance of the United States.

However, Mr. Chairman, I do not think I would be disputed by any member of the committee if I said that they could not raise the taxes if they wanted another school building. We would look at it very favorably as I understand the sentiment of the committee.

Mr. GROSS. I appreciate the statement of the gentleman from Iowa [Mr. SMITH] that taxes in the District could be raised this year, if they wanted to raise them, and now is the time to do it. Why place this burden upon the backs of all the taxpayers of this country when they are not carrying their fair and reasonable share of their own load in the District of Columbia?

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

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

Mr. McFALL. Mr. Chairman, in order that the RECORD may clearly show all of the points involved in the very important question that the gentleman from Iowa [Mr. GROSS] has raised, the District Commissioners have explained to us that they are faced with a competitive situation in the District of Columbia with reference to the surrounding areas. They have raised the taxes in the District of Columbia. They are competitive with the built-up areas across the river in Rosslyn and across the District line in Silver Spring, where taxes can be lower and where large commercial buildings can be constructed but which cannot be constructed in the District of Columbia.

Mr. Chairman, this is the thinking of the District Commissioners. I present it to the gentleman from Iowa [Mr. GROSS] so that the record might be clear.

Mr. GROSS. Well, that is a lovely sentiment on the part of the Commissioners of the District of Columbia, but permit me to say to the gentleman that there are adjoining and competing municipalities in the State of Iowa and I assume there are municipalities adjoining and competing with each other in the State of California. But neither in Iowa nor California can a raid be staged on the Federal Government for lack of proper tax levies. We are dealing now with the District of Columbia, and a property tax of $382 on a $30,000 piece of property, I say to the gentleman, cannot be justified when it is related to the millions of dollars that are being asked here today for support of the District of Columbia on the part of the Federal Government.

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

Mr. GROSS. Of course I yield further to the gentleman from California.

Mr. McFALL. Of course, Mr. Chairman, this is a matter of judgment. But this is a matter with which the Commissioners are faced. Whether they are right or whether the gentleman from Iowa is right, I am not in a position at this time to say. But this is the question which is involved.

Mr. GROSS. I am sure the gentleman knows that there will be no proper increase in taxes in the District of Columbia as long as the Nation's taxpayers provide the funds.

But I really arose to say something about the District of Columbia stadium and I call attention to the committee statement which says:

> It is difficult to justify the exclusive attitude of the Armory Board that results in the stadium being a money losing operation and also to understand why no effort is being made to provide financing to pay off the bonds when they mature in 1979.

I am no Johnny-Come-Lately to this stadium business. I can go back to 1957 when I opposed the construction of a stadium, being convinced then, as I am convinced now, that the taxpayers of all the country are eventually to be called upon to pay off the $20 million worth of bonds on this structure which is now a financial white elephant.

I would like to quote briefly from the RECORD of July 14, 1958, in the 2d session of the 85th Congress, when I questioned Representative Oren Harris, then, chairman of the District of Columbia Committee, and one of the chief promoters of the stadium.

At that time I said:

> I am still not convinced that this will not some day become a burden on the taxpayers of the country. Can the gentleman give us any assurance that the committee will not be back here in a matter of a few years asking for appropriations out of the federal Treasury to build or maintain this stadium?

Mr. Harris replied:

> I can give the gentleman the assurance from my own knowledge and from my own opinion on this program that this is a sound program, that it will not be necessary, not even in two or three years or ten or fifteen years or any time to be a burden on the taxpayers of the entire country.

Well, it is already a burden on the taxpayers of the entire country today because in this bill you are providing $767,000 for the payment of interest on the nearly $20 million of indebtedness.

This stadium started out to cost, as I believe the gentleman from Wisconsin said, $6 million or $7 million. This was the way the deal was sold to the House of Representatives. I did manage, after considerable fighting on the floor of the House, to see to it that the federally held land, upon which the stadium was erected, would be included in the bill to be paid for.

But it started out as a $6 million or $7 million proposition. Bids were taken and, incidentally, the bids were taken before the final planning was completed for this stadium. The contract was let and McCloskey & Co.—you know Matthew McCloskey, the fundraiser for the Democratic Party—got the contract on a bid of $14,200,000, the lowest of 10 bidders.

Only the other day the General Accounting Office released its report of an investigation of the stadium construction. It shows how McCloskey operated. There were 234 change orders, increasing the cost by about $3 million. Incidentally, McCloskey was paid a profit on the change orders.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 2 more minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. I thank the gentleman for yielding.

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

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

Mr. GIAIMO. Can you tell me when all this took place, what year this was?

Mr. GROSS. What year what took place?

Mr. GIAIMO. What you are describing now about the construction of the stadium.

Mr. GROSS. The letting of the contract was in either 1960 or 1961.

Mr. GIAIMO. My best recollection is it was in 1960.

Certainly, the gentleman is not suggesting that the administration and the District of Columbia were doing things wrong in 1960, is he?

Mr. GROSS. Yes, I am suggesting just that; I am suggesting that Bobby Baker and his crowd were already at work at that time.

This whole stadium deal stinks to high Heaven and the gentleman knows it.

Mr. GIAIMO. I agree with the gentleman that the stadium is a white elephant, so to speak, and we are saddled with 700-and-some-odd thousand dollars for interest and the like.

Mr. GROSS. And with no assurance that anyone is going to pay for it except the taxpayers of the entire country.

Mr. GIAIMO. Exactly. The gentleman is eminently correct, and the members of the subcommittee are aware of this.

Mr. GROSS. What is the point, then?

Mr. GIAIMO. I am not aware of the fact that there was anything wrong insofar as the construction of the stadium is concerned.

Mr. GROSS. Of course, there was plenty wrong with it.

Mr. GIAIMO. I am surprised that the gentleman is making these charges relating to the period when President Eisenhower was President of the United States.

Mr. GROSS. What does that have to do with the scandal in this deal? Of course, Bobby Baker was not employed by the then President of the United States. At that time he was working for the then Senate Majority Leader, Lyndon Baines Johnson. Subsequently we had the cozy deal of $109,000 in premiums on McCloskey's performance bond. Do you remember that? And the payoff to an insurance broker by the name of Don Reynolds? A payoff to him of $35,000, with some $25,000 going through Bobby Baker into a presidential campaign fund? Lyndon Johnson's campaign fund? Does the gentleman remember that? Does he now expect the taxpayers of Iowa and elsewhere to pay the bill for those shenanigans?

Mr. McFALL. Will the gentleman yield?

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

Mr. McFALL. If the contract was let in 1960, the gentleman well knows that the Eisenhower administration was in charge of letting the contract.

Mr. GROSS. I will give you the specific year from the GAO report.

Mr. McFALL. I believe it was in 1960.

Mr. GROSS. The bids were opened on June 10, 1960.

Mr. McFALL. The Eisenhower administration was in charge of letting the bids, as the gentleman well knows. Bobby Baker was not involved in letting the bids and the gentleman knows it.

Mr. GROSS. I do not think there was a Member of the House who could smell the odor at that time.

Mr. McFALL. Well, now, if there was an odor, it came from the gentleman's own party.

Mr. GROSS. What reason was there, then, for the 234 change orders? The 234 change orders came months after that, yes, many months after that, and the gentleman knows it.

Mr. McFALL. That is possible, yes, but the gentleman is talking about the letting of the bids and the big scandal of letting the bids on the stadium, and how it cost much more. Now, the gentleman's own administration was in charge of letting the bids.

Mr. GROSS. Oh, no, the gentleman's own administration was not in charge of letting the bids.

Mr. McFALL. Yes, the gentleman knows very well that the Eisenhower administration was in charge in 1960. Is that not correct?

Mr. GROSS. The Eisenhower administration was in power, yes. But is the gentleman now trying by innuendo to saddle the scandal of this deal—is he trying to load this on the backs of the Republicans?

This whole scandalous mess was dredged to the surface some 4 years later and everyone knows it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. NATCHER. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Chairman, I want to commend the other members of the committee for the many, many days that they listened to testimony and deliberated on this bill to come out with a bill that could be supported by most everyone on the floor. I wish to also reemphasize something that is in the report on page 19, and that is that the committee rejected the idea of the Superintendent of Schools of placing a new Shaw Junior High School on the Bundy Recreation Area. If any of you have been out there, you know that immediately across the street from the Bundy School is a Montgomery School. Both of these are elementary schools. There is a small playground area nearby known as the Bundy Playground Area.

The Superintendent came in with the proposal that we build Shaw Junior High School on that playground area. There is less playground area there than is required by the guidelines for elementary schools in the District of Columbia, but he proposed to take this playground area away from these little schoolchildren to build the Shaw Junior High School.

The committee did put money in this bill for surveys and planning for a Shaw Junior High School but we specifically agreed that under no condition should the school be built on this Bundy playground area. It should be built upon other land in the area and perhaps partly on land acquired under urban renewal.

The other thing I want to mention concerns the financing of schools. As I said before, if the District of Columbia wants to increase the real estate tax to build more of these schools, I feel sure there would be very favorable consideration by the committee in a supplemental bill. They can make the decision as to how many of the schools they want to build. All they have to do is to have their meeting the next week, or the week after, and decide how much more they want to raise the real estate taxes, and that amount of money can promptly be appropriated for schools. It is therefore their decision how much they want appropriated for schools.

However, in the long run, I believe we have to recognize that although they do have the borrowing authority we have authorized from time to time, they have not borrowed nearly as much in the District for capital outlay as in most of the districts of the United States. In most places the people using the schools pay for the schools as they are being used. To overcome the building problems they have, I believe there needs to be a vastly larger program based upon the borrowing authority, with a limitation on the amount that can be repaid in any one year.

In other words, the amount of borrowing authority to be used would be determined by the amount that can be paid in any one year to amortize the debt, just as in any other school district of the United States. Next year I hope there will be more effort to develop a program with this kind of guideline, to determine how many of these schools should be built now.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 8 minutes to the gentleman from Massachusetts [Mr. CONTE], a member of the committee.

Mr. CONTE. Mr. Chairman, I am going to speak about the District of Columbia Stadium, but not about the past, because there is nothing that can be done about that. I will speak about the future of the District of Columbia Stadium.

Although it is not domed, nor is it air conditioned as seems to be the current vogue for sports arenas in Texas, District of Columbia Stadium certainly ranks with some of the finest in the country. It should, considering what it has already cost the taxpayers.

Now we find that this magnificent arena, located in as good a spot as could be found in this city for accessibility and parking, in a city that is as enthusiastically sports minded as any in the world; we find this stadium is a money-losing proposition.

According to this report, we must allocate more than three-quarters of a million dollars to meet interest payments due on the bonds issued for construction of District of Columbia Stadium.

The report states that, under terms of the authorizing legislation for the construction of the stadium, the District of Columbia Commissioners had to borrow from the Treasury $340,800 to meet the interest payment due on December 1, 1965, and another $415,800 to meet the payment due on June 1, 1966. The total comes to $756,600 which, when we add the $10,417 of interest, comes to the $767,017 which the taxpayers must now fork over to cover these deficiencies.

The report courageously challenges the "exclusive attitude" of the Armory Board which is the cause of all the red ink. There is, however, no indication that the Congress intends to do anything about it. Apparently, we are going to let them get away with it. We are going to peel off three-quarters of a million dollars to back up the Armory Board's policies.

I would like to know more about this so-called "exclusive attitude" of the Armory Board. I should like to know why this Congress is content to allow these policies to persist when they are losing money, with the losses being passed on to the taxpayers at a time when we should be trying to chisel every nickel we can from the Federal budget.

District of Columbia Stadium should not stand idle on any given Sunday afternoon in the entire year. And, in my judgment, there is no reason why it should.

The Washington Senators, despite what promises to be another disappointing season, are well ahead of last year's attendance figures. The Washington Redskins, who also seem to have their problems, are nevertheless packing the house at every home game. But clearly, this is not enough.

The Armory Board should be encouraged not only to exploit every opportunity to bring athletic events to District of Columbia Stadium, but to go out and

actively solicit events; to promote District of Columbia Stadium the way P. T. Barnum might have promoted a white elephant.

Why, for example, can we not encourage and support the formation of an American Football League franchise for Washington, to play in District of Columbia Stadium on weekend dates when the Redskins are out of town?

We have in nearby Virginia a superb minor league football team which, according to all reports, have discovered the elusive secret of not only winning football games, but of crushing their opposition by fantastic scores. Why can we not encourage the Virginia Sailors to play their Saturday night games in District of Columbia Stadium instead of Wakefield High School over in northern Virginia? With appropriate publicity, I have no doubt this team could more than pay its way in District of Columbia Stadium.

I suppose there are a number of legal reasons why some of these things cannot be done. But, I respectfully submit, Mr. Chairman, that we are the lawmaking body for the District of Columbia. If laws need to be changed, let us change them.

It seems to me we have shrugged off the problems of the District of Columbia with a virtual blank check for too long. It is high time we either turned over the government of the city to its citizens, or took a little more serious attitude toward some of these problems in the Congress.

I have dwelled on the stadium situation, not because it is alone or because it is the only area where something might be done. On the contrary, I use it as a typical example of how we seem to understand that a problem exists and that we even shake a finger at the source of the problem, but do nothing to solve it. We do, in fact, make matters worse by subsidizing the very myopia which causes the problem.

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

Mr. CONTE. I am glad to yield to my good friend from Iowa.

Mr. GROSS. A solution might be found if there was a change in the contract at the stadium. It is my understanding that the head of the Redskins Football Team is one Bennett Williams, who is also the attorney for Bobby Baker. I understand the Bobby Baker trial has been postponed two or three times, and certainly he will not go to trial before the election this fall. It may be that the statute of limitations will outlaw the case before it goes to trial.

The gentleman might give some thought to who is having the "large say" with respect to what happens in connection with this stadium, one Mr. Williams.

Mr. CONTE. I agree with everything the gentleman from Iowa says, but I still cannot understand why Congress cannot change the laws, or change the ball game, or change the contract, or amend the contract so that the stadium does not remain idle on the days the Redskins are not playing. I agree that the Redskins have a monopoly at the present time. They will not let the American League in, where it could draw a big crowd when the Redskins were not playing. I understand even the concessions are a "racket" out there. I believe it is high time Congress changed this whole situation.

Mr. GROSS. I thoroughly agree with the gentleman, and commend him for his statement.

Mr. NATCHER. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from North Carolina [Mr. WHITENER].

Mr. WHITENER. Mr. Chairman, I express to the gentleman from Kentucky [Mr. NATCHER] my appreciation for his having yielded this time. I commend him for his consistently fine work in District of Columbia appropriations matters. The entire subcommittee headed by the gentleman has been most thoughtful. They have always been considerate of many things I have discussed with them.

Naturally, I am a little bit apprehensive about the elimination of the $8,525,000 of the District contribution toward the construction of a rail rapid transit system, but from talking to the gentleman from time to time I understand the motivating factors which bring about the decision of his subcommittee.

Mr. Chairman, I would say that the chairman of the committee and I, together with other members of the Committee on Appropriations, and Members of Congress who are not members of the Committee on Appropriations, have on many occasions discussed the future of a rail rapid transit system in the District of Columbia. While I would not undertake to speak for those gentlemen, I know that there is not as much feeling against the development of a proper rapid transit system as some have interpreted the action of the Committee on Appropriations to be.

For some time I have tried to send out some storm warnings about the problems which are being created for the future of the rail rapid transit system. If many who profess to be for this system would leave well enough alone and let us go on with the development of a core system in the District of Columbia and then make whatever moves they might want to make thereafter, I think we might accomplish a very worthwhile purpose for this Nation's Capital. This is the leading capital city of any nation in the world. Yet this is the only capital of a major nation of any size that does not have an adequate rapid transit system. There is no place in the world that I know of that needs one more sorely than do we here in our Nation's Capital.

While I am not out hunting arguments with my colleagues, I think we need a National Stadium here in the District of Columbia. The District of Columbia Stadium is such a facility. I think the people of my area, and of every other area of the United States, have a reason to be interested in our Nation's Capital and a reason for wanting us to have those facilities in this Federal City which will reflect credit upon our Nation throughout the world.

The aim of making profits on stadiums, of course, is always a desirable goal. Still, we must remember that we have in most of our towns and at our colleges situations where a sizable sum of money has been put out by the local people for athletic fields where, if you read a balance sheet, you would find that it is not a profitmaking organization. We must have these types of facilities whether it be in a large city or a small one or at an educational institution. I hope that in our looking at the situation here in the Nation's Capital that we will always look upon it as the Nation's Capital, and not as a separate municipality apart from the Nation.

For that reason, Mr. Chairman, I urge the chairman of the Subcommittee on Appropriations to take a new look at the rail rapid transit system program. I know he will do it. I have a lot more confidence that they are going to do that than I have that some others who are muddying the water will cease to muddy the water.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL of Virginia. Mr. Chairman, I would also like to discuss the $8.5 million request that was deleted from the appropriation bill for the construction of the rapid transit system here in Washington. I know this has been discussed at great length here already today, and that some of this discussion took place while I was unavoidably absent from the floor. However, in view of the fact that so much concern has been expressed as to the deletion of these funds, and the charge has been made that this may cause some damage and delay in the construction of such a system, I think that we can, let us say, reassure the people who are involved in these programs that that was not the intention of the Committee on Appropriations.

Mr. Chairman, I can assure the chairman of the Subcommittee on Appropriations for the District of Columbia of the Committee on Appropriations that we in northern Virginia are working diligently toward a program to tie in the suburban areas with the mass transit system here in the Nation's Capital.

We are hopeful that this Congress will approve an interstate compact that will help to accelerate this tying in with the suburbs.

But, Mr. Chairman, I do also recognize, as does everyone else in the area, that we have a highway and a freeway construction program that has suffered from needless delay.

As it was stated in the report of the Subcommittee on Appropriations for the District of Columbia there are 13 elements to this highway and freeway system that have been delayed and that there were $172 million in unobligated funds as of December 1965. Largely, these delays have been caused as a result of the fact that some groups wanted to use the mass transit system or the subway system to scuttle some of the unpopular freeway and highway programs.

I support the chairman of the Appropriations Subcommittee in his efforts to prevent the subway system being used as a scuttling device for this much-needed highway and freeway construction program.

Mr. Chairman, all of us who have studied this problem realize that we must have a basic and balanced transportation system here in the Washington metropolitan area if we are going to make any headway toward alleviating this traffic congesting highway problem.

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

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

Mr. NATCHER. Mr. Chairman, I would like to say to the distinguished gentleman from Virginia [Mr. BROYHILL] that I, personally, appreciate the position that the gentleman has taken all down through the years concerning a balanced transportation system for the District of Columbia.

Mr. Chairman, I know of the gentleman's interest not only in rapid transit, but also in the establishment and in the construction of a good freeway system.

Mr. Chairman, I wish to commend the gentleman upon the statements that he has made and is now making concerning this matter.

Mr. Chairman, the gentleman from Virginia [Mr. BROYHILL] has been fair and has been frank and I know of his interest in this problem. The gentleman has discussed this matter with me on more than one occasion, and as I have said to the gentleman during those discussions, and I say again, there are many who believe in a balanced system of transportation for our Capital City. We believe that there is a place for a rapid transit system and that there also is a place for a freeway system.

Mr. Chairman, I wish to salute the gentleman from Virginia [Mr. BROYHILL] for the position which he has taken down through the years on this particular matter.

Mr. BROYHILL of Virginia. Mr. Chairman, I thank the gentleman from Kentucky and it is my opinion that the remarks which have been made by the gentleman from Kentucky [Mr. NATCHER] should give additional assurance to everyone interested in a transportation system in the Washington area that there will not be any unnecessary or needless delay in the construction of such a system.

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

Mr. BROYHILL of Virginia. Of course I am happy to yield to the gentleman from North Carolina.

Mr. WHITENER. Mr. Chairman, I am sure the gentleman from Virginia [Mr. BROYHILL] will remember that last year, in the first session of this Congress, representatives of the District government came to the gentleman from Minnesota [Mr. NELSEN] and to me and to the chairman of the full Committee on the District of Columbia, and urged that immediate hearings and action upon a revenue bill be taken which would include money for the highway program.

Mr. Chairman, we made a special effort and had gotten a bill out and passed here in the House of Representatives. However, it has languished in the other body ever since. That is the last utterance of urgency which we have heard from the representatives of the District government and the administration downtown.

I think what the gentleman has said points out the attitude of our good friend, the gentleman from Kentucky [Mr. NATCHER], and the gentleman from Minnesota [Mr. NELSEN], the ranking minority member of the House Committee on the District of Columbia, the chairman of the House Committee on the District of Columbia and others, that we feel that there must be a balance to the transportation system and that highways are an essential part of it. We have prepared a bill trying to accomplish something in that area, as well as the rapid transit system. The gentleman from Virginia [Mr. BROYHILL] has been a yeoman worker in the same vineyard.

Mr. BROYHILL of Virginia. Mr. Chairman, I do not think there is any question but that the action taken by the Subcommittee on Appropriations for the District of Columbia in holding up these funds in order to prevent the subway system from being used as a scuttling device for the rest of the highway and freeway program is going to have its desired effect. In fact, I am hopeful we will see some results in the next few days.

Mr. DAVIS of Wisconsin. Mr. Chairman, I have no further requests for time.

Mr. NATCHER. Mr. Chairman, we have no further requests for time.

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

Mr. NATCHER (during the reading of the bill). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and open for amendment at any point.

The CHAIRMAN. Is there obection to the request of the gentleman from Kentucky?

There was no objection.

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

The CHAIRMAN. The gentleman from Ohio [Mr. Bow] is recognized for 5 minutes.

Mr. BOW. Mr. Chairman, the subcommittee on this bill has done an excellent piece of work. It is a fine bill. They have worked well together. I think both sides should be complimented for the hard work they have performed. I am sure they have done well by the District of Columbia.

Mr. Chairman, the President continues to be concerned about the budgets we have been passing. As you know, Mr. Chairman, and as my colleagues know, I have been concerned in every bill that we have here about the high budgets. I have offered on a number of occasions a 5-percent reduction overall on the budgets and that has been refused.

Mr. Chairman, I was particularly interested in what the President himself had to say in his message to the Congress on September 8, and I would like to just read part of it for the RECORD:

> I propose the following program of immediate action for the Congress and the American people:
>
> First. I am taking strong measures to reduce lower priority Federal expenditures.

I would suggest if he did say that he should notify the Congress what the priorities are. He should not just tell the executive branch of the Government but he should notify the Congress what these low priorities are so we can consider it in the appropriation bills and in the conferences that will come up.

He said further:

> Determination of the exact amount of reduction in that limited portion of the fiscal 1967 budget under direct Presidential control must await congressional action on the remaining appropriation bills. Our best present estimate is that a reduction of 10 percent—approximately $3 billion—will be required from that portion of the budget.

Here we have the President of the United States telling us that we should reduce these budgets by 10 percent. I have been sort of low on it. I have been at 5 percent. Perhaps if we would have had the 5 percent pass on the previous budgets, we would not need a 10-percent reduction now. But his suggestion now is 10 percent.

So, in support of the President, Mr. Chairman, I intend to offer again, as a motion to recommit, the 5-percent Bow limitation amendment on this bill and I would urge your support of it.

The amendment simply provides that the administration may expend in fiscal 1967 only 95 percent of what the President proposed to provide in the value of the items provided in this bill.

Therefore, Mr. Chairman, I would request the support of the President and support of my motion to recommit.

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

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

The CHAIRMAN. The gentleman from Kentucky is recognized for 5 minutes.

Mr. NATCHER. Mr. Chairman, I do not like finding myself in disagreement with my distinguished friend from Ohio [Mr. Bow]. As you know, Mr. Chairman, the gentleman from Ohio [Mr. Bow] is the ranking minority member on the Committee on Appropriations and he is an able member and our good friend.

I do think this, in all fairness to the Members of the House, that we ought to keep in mind that the budget as submitted for the District of Columbia was submitted out of balance. Based on revenue estimates in July there was a deficit of $35,897,000. We took the budget, Mr. Chairman, and reduced it $43,253,200, a cut of 10 percent. Approximately 45 percent of the increases requested were in the mandatory category which had to be allowed. Due to the lack of revenues it was necessary to cut back all other requests to a minimum. The committee has created a reserve of $2,680,000 to cover the cost of classified pay wage board increases. The committee has reduced the bill, as I stated, 10 percent which is, Mr. Chairman, as far as we should go at this time. Also, Mr. Chairman, only a portion of this bill, $52,394,000, relates to Federal funds; the other funds are actually District funds derived from taxes and other revenue-raising measures.

So therefore, Mr. Chairman, and I say to the members of the committee, that

at the time when my distinguished friend from Ohio offers his motion to recommit the bill to cut the bill 5 percent more, it should be defeated.

I yield back the balance of my time.

Mr. FARNUM. Mr. Chairman, I move to strike the requisite number of words. If I could get the attention of the distinguished gentleman from Ohio [Mr. Bow], I would like to ask a question or two about his 5-percent amendment.

On previous occasions the gentleman has made a motion to cut the budget 5 percent across the board. I would like to ask the gentleman if it is not true that under the existing statutes the President of the United States already has the authority not to allocate funds appropriated by the Congress to the various agencies if it would be in the interest of the public not to do so? Is that not true?

Mr. BOW. Of course, the gentleman is correct about that.

Mr. FARNUM. Has the distinguished gentleman himself made any recommendations for specific cuts in items in the bill, either himself or through members of the committee who serve on this subcommittee, that would equal the 5 percent that he proposes to include in a blanket cut?

Mr. BOW. Apparently the gentleman does not understand the amendment. I supposed he did. The cut is not in the appropriation figure but is a cut of 5 percent on what the President proposed to spend in his budget. This means previously appropriated funds, and much of the funds that are spent in any fiscal year are previously appropriated funds. So the amendment simply goes to the funds, and it leaves it up to the President to apply the cuts in the areas that he feels should be made. It is not an attempt to eliminate the schools or expenses in other areas. That question would be left up to the Commissioners and the President to determine where best the cuts could be made. I do not think there is any agency of Government that cannot in some way find a method to reduce the proposed budget of the President by 5 percent.

The gentleman must understand that the proposal would not affect appropriations across the board but goes to the funds the President proposes to spend, whether previously appropriated or appropriated in this bill, and the determination would be left to the President.

Will the gentleman yield further?

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

Mr. BOW. The gentleman has suggested that the President has a right to not allocate funds. I have suggested at leadership meetings at the White House that some of these funds should be withheld, but it seems to me the responsibility to make the reduction is in the Congress, and then let the President put them in the area he thinks best.

Mr. FARNUM. I think the responsibility of the President is clear. There is no question that the statutes provide the President can cut expenditures. There is no question that the President has not only asked the agencies to be more efficient in their operations and to be economical in their use of public funds and the expenditure of those funds but he has insisted by directive they produce those economies.

But I say to the gentleman there is not vested in the Congress a responsibility to bring about a meat-ax approach, such as that recommended by the gentleman from Ohio, an approach which I term fiscal idiocy. I say each of us as Members of Congress should review these budgets very specifically and we should offer amendments to reduce the amounts of specific items if we think there are specific items that should be reduced.

I do not think the method that is being employed by the gentleman is the kind of method that should be employed as far as cutting the expenditures of the Federal Government is concerned. I look upon this as nothing more than something that is being used to try to confuse the issue and I must conclude is nothing more than political trickery.

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

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

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

Mr. BOW. Mr. Chairman, I must say to the gentleman I do not believe he really understands this subject, particularly when he calls this political trickery. We have had gimmick budgets up here time and time again, and I have not heard the gentleman get on his feet yet and object to the gimmicks that have been in the budgets sent here by the executive branch. It seems to me if the gentleman is sincere in what he has been trying to say, the gentleman would have been attacking these budgets, every one of them, with the gimmicks that have been in all of them.

This is not trickery. This is an opportunity for the President to do what he says he wants done, to reduce the budgets passed by the Congress, but it gives to him an opportunity to apply these cuts.

It is his executive branch, it seems to me, that is setting up priorities. He ought to be setting up priorities here. The gentleman says he has legislative authority to do it. That is correct. But let me remind the gentleman that we have under the Constitution the power to make, to initiate the appropriations, and to handle them. This is one way it can be done.

I do not appreciate the gentleman's remark that this is political trickery.

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

Mr. GROSS. I yield to the gentleman, but first I would suggest that the gentleman not refer to an amendment of this simple nature as trickery. The gentleman from Ohio [Mr. Bow] does not engage in trickery.

Mr. FARNUM. Mr. Chairman, I would say I believe the amendment offered by the gentleman is an affront to the hard work of the committees who work on these appropriations, who spend long hard hours on them. The gentleman is a member. They do their best to try to sit through the requests for billions of dollars of appropriations and to come up with recommendations on the floor of this House, which they do.

If the gentleman does not believe I do understand what is going on, I do understand what is going on, and I will put my fiscal ability, as far as governmental financing is concerned, up against that of any Member on that side.

Mr. GROSS. I will only say to the gentleman, I do not know of any appropriation bill that comes before the House that is sacred; that cannot be altered by being reduced or increased.

Mr. NATCHER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore, having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 17636, making appropriations for the government of the District of Columbia, and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1967, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

Mr. NATCHER. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

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

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

MOTION TO RECOMMIT OFFERED BY MR. BOW

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

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

Mr. BOW. I am, Mr. Speaker.

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

The Clerk read as follows:

Mr. Bow moves to recommit the bill to the Committee on Appropriations with instructions to that Committee to report it back forthwith with the following amendment: On page 15, immediately following line 18, insert a new section as follows:

"SEC. 16. Money appropriated in this Act shall be available for expenditure in the fiscal year ending June 30, 1967, only to the extent that expenditure thereof shall not result in total aggregate net expenditures of all items provided for herein beyond ninety-five percent of the total aggregate net expenditures estimated therefor in the budget for 1967 (H. Doc. 335)."

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

There was no objection.

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

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

Mr. BOW. 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 103, nays 217, not voting 112, as follows:

[Roll No. 279]

YEAS—103

Abbitt
Adair
Andrews, George W.
Arends
Ashbrook
Ashmore
Ayres
Bates
Battin
Bennett
Berry
Betts
Bolton
Bow
Bray
Broomfield
Brown, Clarence J., Jr.
Broyhill, N.C.
Buchanan
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Conable
Corbett
Cramer
Cunningham
Curtis
Dague
Davis, Wis.
de la Garza
Derwinski
Devine
Duncan, Tenn.
Edwards, Ala.
Erlenborn
Findley
Fino
Fountain
Gathings
Goodell
Gross
Grover
Gurney
Haley
Hall
Halleck
Harsha
Harvey, Mich.
Henderson
Hutchinson
Jonas
Jones, Mo.
Kornegay
Kunkel
Kupferman
Laird
Langen
Latta
Lennon
Lipscomb
McDade
McEwen
Martin, Nebr.
Michel
Minshall
Mize
Morton
O'Neal, Ga.
Pirnie
Poff
Pool
Quillen
Race
Randall
Reid, Ill.
Reifel
Robison
Rumsfeld
Satterfield
Schneebeli
Schweiker
Secrest
Selden
Shriver
Skubitz
Smith, Calif.
Smith, N.Y.
Springer
Stafford
Stanton
Taylor
Thomson, Wis.
Tuck
Utt
Watkins
Watson
Whalley
Williams
Wilson, Bob
Wyatt
Wydler

NAYS—217

Adams
Addabbo
Anderson, Tenn.
Andrews, N. Dak.
Annunzio
Ashley
Baring
Barrett
Beckworth
Belcher
Bell
Bingham
Blatnik
Boggs
Brademas
Brock
Brooks
Brown, Calif.
Broyhill, Va.
Burke
Burleson
Burton, Calif.
Byrne, Pa.
Cabell
Cahill
Callan
Cameron
Carey
Carter
Casey
Chelf
Clark
Clevenger
Cohelan
Collier
Conte
Cooley
Culver
Daddario
Daniels
Dawson
Delaney
Denton
Dingell
Doie
Dow
Dowdy
Downing
Dulski
Dwyer
Dyal
Edwards, Calif.
Edwards, La.
Ellsworth
Everett
Farnsley
Farnum
Feighan
Flood
Foley
Fraser
Frelinghuysen
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gettys
Giaimo
Gibbons
Gilligan
Gonzalez
Grabowski
Gray
Green, Pa.
Greigg
Grider
Griffiths
Gubser
Halpern
Hamilton
Hanley
Hansen, Iowa
Hansen, Wash.
Hardy
Harvey, Ind.
Hathaway
Hays
Hechler
Herlong
Holifield
Horton
Hosmer
Howard
Hull
Hungate
Ichord
Irwin
Jacobs
Jarman
Jennings
Joelson
Jones, Ala.
Johnson, Calif.
Johnson, Okla.
Johnson, Pa.
Jones, Ala.
Karsten
Kastenmeier
Kee
Kelly
King, Calif.
King, Utah
Kirwan
Kluczynski
Krebs
Leggett
Long, La.
Long, Md.
Love
McCarthy
McClory
McDowell
McFall
McGrath
McVicker
Mackay
Mackie
Madden
Mahon
Mailliard
Marsh
Matsunaga
Matthews
Meeds
Mills
Mink
Moeller
Monagan
Moore
Moorhead
Morgan
Mosher
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
O'Brien
O'Hara, Ill.
O'Hara, Mich.
Olsen, Mont.
Olson, Minn.
Ottinger
Passman
Patman
Patten
Pepper
Perkins
Pickle
Pike
Poage
Price
Pucinski
Redlin
Reid, N.Y.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Rivers, S.C.
Rivers, Alaska
Roberts
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roudebush
Roush
Ryan
St. Onge
Scheuer
Schisler
Schmidhauser
Shipley
Sikes
Slack
Smith, Iowa
Smith, Va.
Staggers
Stalbaum
Steed
Stubblefield
Sullivan
Sweeney
Talcott
Teague, Calif.
Tenzer
Thomas
Thompson, N.J.
Thompson, Tex.
Trimble
Tunney
Ullman
Vanik
Vivian
Waggonner
Waldie
Watts
White, Tex.
Whitener
Whitten
Wright
Yates
Young
Younger

NOT VOTING—112

Abernethy
Albert
Anderson, Ill.
Andrews, Glenn
Aspinall
Bandstra
Boland
Bolling
Burton, Utah
Byrnes, Wis.
Callaway
Celler
Cleveland
Colmer
Conyers
Corman
Craley
Curtin
Davis, Ga.
Dent
Dickinson
Diggs
Donohue
Dorn
Duncan, Oreg.
Edmondson
Evans, Colo.
Evins, Tenn.
Fallon
Farbstein
Fascell
Fisher
Flynt
Fogarty
Ford, Gerald R.
Ford, William D.
Friedel
Gallagher
Garmatz
Gilbert
Green, Oreg.
Hagan, Ga.
Hagen, Calif.
Hanna
Hansen, Idaho
Hawkins
Hébert
Helstoski
Hicks
Holland
Huot
Jones, N.C.
Karth
Keith
Keogh
King, N.Y.
Landrum
McCulloch
McMillan
Macdonald
MacGregor
Machen
Martin, Ala.
Martin, Mass.
Mathias
May
Miller
Minish
Morris
Morrison
Morse
Murray
Nix
O'Konski
O'Neill, Mass.
Pelly
Philbin
Powell
Purcell
Quie
Rees
Reinecke
Resnick
Rodino
Rogers, Tex.
Roncalio
Roybal
St Germain
Saylor
Scott
Senner
Sickles
Sisk
Stephens
Stratton
Teague, Tex.
Todd
Toll
Tupper
Tuten
Udall
Van Deerlin
Vigorito
Walker, Miss.
Walker, N. Mex.
Weltner
White, Idaho
Widnall
Willis
Wilson, Charles H.
Wolff
Zablocki

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Cleveland.
Mr. Keogh with Mr. Curtin.
Mr. Albert with Mr. Gerald R. Ford.
Mr. Dent with Mr. Byrnes of Wisconsin.
Mr. Donohue with Mr. Martin of Massachusetts.
Mr. Philbin with Mr. Keith.
Mr. Boland with Mr. O'Konski.
Mr. Aspinall with Mr. MacGregor.
Mr. Macdonald with Mr. Morse.
Mr. O'Neill of Massachusetts with Mr. Mathias.
Mr. Wolff with Mr. McCulloch.
Mr. Zablocki with Mr. King of New York.
Mr. Gilbert with Mr. Glenn Andrews.
Mr. Garmatz with Mr. Reinecke.
Mr. Fallon with Mr. Quie.
Mr. Friedel with Mr. Pelly.
Mr. Farbstein with Mr. Callaway.
Mr. Fogarty with Mr. Anderson of Illinois.
Mr. Rodino with Mr. Burton of Utah.
Mr. Minish with Mrs. May.
Mr. Gallagher with Mr. Martin of Alabama.
Mr. Helstoski with Mr. Dickinson.
Mr. Miller with Mr. Walker of Mississippi.
Mr. White of Idaho with Mr. Saylor.
Mr. Charles H. Wilson with Mr. Murray.
Mr. Machen with Mr. Scott.
Mr. Sickles with Mr. Hagan of Georgia.
Mr. Sisk with Mr. Dorn.
Mr. Stratton with Mr. Tupper.
Mr. Celler with Mr. Widnall.
Mr. Duncan of Oregon with Mr. Diggs.
Mr. Evans of Colorado with Mr. Nix.
Mr. Hagen of California with Mr. Powell.
Mr. Resnick with Mr. Hanna.
Mr. Morris with Mr. Edmondson.
Mr. Evins of Tennessee with Mr. Craley.
Mr. Corman with Mr. Conyers.
Mr. Colmer with Mr. Huot.
Mr. Abernethy with Mr. Holland.
Mr. Hawkins with Mr. Hicks.
Mr. Roybal with Mr. Roncalio.
Mr. Rogers of Texas with Mr. St Germain.
Mr. Senner with Mr. Stephens.
Mr. Todd with Mr. Teague of Texas.
Mr. Weltner with Mr. Vigorito.
Mr. Morrison with Mr. Tuten.
Mr. Purcell with Mrs. Green of Oregon.
Mr. Fascell with Mr. Flynt.
Mr. Davis of Georgia with Mr. McMillan.
Mr. Rees with Mr. Willis.
Mr. Van Deerlin with Mr. Walker of New Mexico.
Mr. Udall with Mr. Jones of North Carolina.
Mr. Bandstra with Mr. Landrum.
Mr. Fisher with Mr. William D. Ford.

Mr. SHIPLEY and Mr. CONTE changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

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

Mr. NATCHER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 320, nays 3, answered "present" 1, not voting 108, as follows:

[Roll No. 280]

YEAS—320

Abbitt
Adair
Adams
Addabbo
Anderson, Tenn.
Andrews, George W.
Andrews, N. Dak.
Annunzio
Arends
Ashbrook
Ashley
Ashmore
Ayres
Baring
Barrett
Bates
Battin
Beckworth
Belcher
Bell
Bennett
Berry
Betts
Bingham
Blatnik
Boggs
Bolton
Brademas
Bray
Brock
Brooks
Broomfield
Brown, Calif.
Brown, Clarence J., Jr.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke
Burleson
Burton, Calif.
Byrne, Pa.
Cabell
Cahill
Callan
Cameron
Carey
Carter
Casey
Cederberg
Chamberlain
Chelf
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clevenger
Cohelan
Collier
Conable
Conte
Cooley
Corbett
Cramer
Culver
Cunningham
Curtis
Daddario
Dague
Daniels
Davis, Wis.
Dawson
de la Garza
Delaney
Denton
Derwinski
Devine
Dingell
Dole
Dow
Dowdy
Downing
Dulski
Duncan, Tenn.
Dwyer
Dyal
Edwards, Ala.
Edwards, Calif.
Edwards, La.
Ellsworth
Erlenborn
Everett
Evins, Tenn.
Farnsley
Farnum
Feighan
Findley
Fino
Flood
Foley
Fountain
Fraser
Frelinghuysen
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gathings
Gettys
Giaimo
Gibbons
Gilligan
Gonzalez
Goodell
Grabowski
Gray
Green, Pa.
Greigg
Grider
Griffiths
Grover
Gubser
Gurney
Haley
Hall
Halleck
Halpern
Hamilton
Hanley
Hansen, Iowa
Hansen, Wash.
Hardy
Harsha
Harvey, Ind.
Harvey, Mich.
Hathaway
Hays
Hechler
Henderson
Herlong
Holifield
Horton
Hosmer
Howard
Hull
Hungate
Hutchinson

Ichord
Irwin
Jacobs
Jarman
Jennings
Joelson
Johnson, Calif.
Johnson, Okla.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, Mo.
Karsten
Kastenmeier
Kee
Kelly
King, Calif.
King, Utah
Kirwan
Kluczynski
Kornegay
Krebs
Kunkel
Kupferman
Laird
Langen
Latta
Leggett
Lennon
Lipscomb
Long, La.
Long, Md.
Love
McCarthy
McClory
McDade
McDowell
McEwen
McFall
McGrath
McVicker
Mackay
Mackie
Madden
Mahon
Mailliard
Marsh
Martin, Nebr.
Matsunaga
Matthews
Meeds
Michel
Miller
Mills
Mink
Minshall
Mize
Moeller
Monagan
Moore
Moorhead
Morgan
Morton
Mosher
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
O'Brien
O'Hara, Ill.
O'Hara, Mich.
Olsen, Mont.
Olson, Minn.
O'Neal, Ga.
Ottinger
Patman
Patten
Pepper
Perkins
Pickle
Pike
Pirnie
Poage
Poff
Pool
Price
Pucinski
Purcell
Quillen
Race
Randall
Redlin
Reid, Ill.
Reid, N.Y.
Reifel
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Rivers, S.C.
Rivers, Alaska
Roberts
Robison
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roudebush
Roush
Rumsfeld
Ryan
Satterfield
St. Onge
Scheuer
Schisler
Schmidhauser
Schneebeli
Schweiker
Selden
Shipley
Shriver
Sikes
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Va.
Springer
Stafford
Staggers
Stalbaum
Stanton
Steed
Stubblefield
Sullivan
Sweeney
Talcott
Taylor
Teague, Calif.
Tenzer
Thomas
Thompson, N.J.
Thompson, Tex.
Thomson, Wis.
Trimble
Tuck
Tunney
Ullman
Utt
Vanik
Vivian
Waggonner
Waldie
Watkins
Watson
Watts
Whalley
White, Tex.
Whitener
Whitten
Williams
Wilson, Bob
Wright
Wyatt
Wydler
Yates
Young
Younger

NAYS—3

Bow
Gross
Secrest

ANSWERED "PRESENT"—1

Powell

NOT VOTING—108

Abernethy
Albert
Anderson, Ill.
Andrews, Glenn
Aspinall
Bandstra
Boland
Bolling
Burton, Utah
Byrnes, Wis.
Callaway
Celler
Cleveland
Colmer
Conyers
Corman
Craley
Curtin
Davis, Ga.
Dent
Dickinson
Diggs
Donohue
Dorn
Duncan, Oreg.
Edmondson
Evans, Colo.
Fallon
Farbstein
Fascell
Fisher
Flynt
Fogarty
Ford, Gerald R.
Ford, William D.
Friedel
Gallagher
Garmatz
Gilbert
Green, Oreg.
Hagan, Ga.
Hagen, Calif.
Hanna
Hansen, Idaho
Hawkins
Hébert
Helstoski
Hicks
Holland
Huot
Jones, N.C.
Karth
Keith
Keogh
King, N.Y.
Landrum
McCulloch
McMillan
Macdonald
MacGregor
Machen
Martin, Ala.
Martin, Mass.
Mathias
May
Minish
Morris
Morrison
Morse
Murray
Nix
O'Konski
O'Neill, Mass.
Passman
Pelly
Philbin
Quie
Rees
Reinecke
Resnick
Rodino
Roncalio
Roybal
St Germain
Saylor
Scott
Senner
Sickles
Sisk
Stephens
Stratton
Teague, Tex.
Todd
Toll
Tupper
Tuten
Udall
Van Deerlin
Vigorito
Walker, Miss.
Walker, N. Mex.
Weltner
White, Idaho
Widnall
Willis
Wilson, Charles H.
Wolff
Zablocki

So the bill was passed.

The Clerk announced the following pairs:

Mr. Albert with Mr. Gerald R. Ford.
Mr. Keogh with Mr. Widnall.
Mr. Hébert with Mr. King of New York.
Mr. O'Neill of Massachusetts with Mr. Morse.
Mr. Dent with Mr. MacGregor.
Mr. Sickles with Mr. Mathias.
Mr. Wolff with Mr. Dickinson.
Mr. Celler with Mr. McCulloch.
Mr. Farbstein with Mr. Callaway.
Mr. Philbin with Mr. Pelly.
Mr. Donohue with Mr. Quie.
Mr. Macdonald with Mr. Reinecke.
Mr. Boland with Mr. Martin of Massachusetts.
Mr. Aspinall with Mrs. May.
Mr. Senner with Mr. Cunningham.
Mr. Machen with Mr. Glenn Andrews.
Mr. Morris with Mr. Tupper.
Mr. Fascell with Mr. Saylor.
Mr. Garmatz with Mr. Byrnes of Wisconsin.
Mr. Fallon with Mr. Burton of Utah.
Mr. Friedel with Mr. Anderson of Illinois.
Mr. Rodino with Mr. Martin of Alabama.
Mr. Minish with Mr. O'Konski.
Mr. Gallagher with Mr. Cleveland.
Mr. Helstoski with Mr. Walker of Mississippi.
Mr. Morrison with Mr. Hansen of Idaho.
Mr. Resnick with Mr. Fisher.
Mr. Gilbert with Mrs. Green of Oregon.
Mr. Fogarty with Mr. Keith.
Mr. Edmondson with Mr. Murray.
Mr. Davis of Georgia with Mr. McMillan.
Mr. Stephens with Mr. Abernethy.
Mr. Hagan of Georgia with Mr. Colmer.
Mr. Landrum with Mr. Passman.
Mr. Bandstra with Mr. Teague of Texas.
Mr. Craley with Mr. Scott.
Mr. Nix with Mr. Evans of Colorado.
Mr. Hagen of California with Mr. Diggs.
Mr. Hawkins with Mr. Holland.
Mr. Hanna with Mr. Conyers.
Mr. Van Deerlin with Mr. Walker of New Mexico.
Mr. Vigorito with Mr. Willis.
Mr. Charles H. Wilson with Mr. Tuten.
Mr. Zablocki with Mr. Weltner.
Mr. Sisk with Mr. Huot.
Mr. Stratton with Mr. Roncalio.
Mr. St Germain with Mr. Todd.
Mr. Udall with Mr. White of Idaho.
Mr. Roybal with Mr. Hicks.
Mr. Corman with Mr. Jones of North Carolina.
Mr. Dorn with Mr. Karth.
Mr. Duncan of Oregon with Mr. Rees.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

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

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

There was no objection.

AUTHORIZING THE ESTABLISHMENT AND OPERATION OF SEA GRANT COLLEGES AND PROGRAMS

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 982 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 982

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 16559) to amend the Marine Resources and Engineering Development Act of 1966 to authorize the establishment and operation of sea grant colleges and programs by initiating and supporting programs of education and research in the various fields relating to the development of marine resources, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the able gentleman from California [Mr. SMITH] and, pending that, to myself such time as I may consume.

Mr. Speaker, House Resolution 982 provides an open rule with 1 hour of general debate for consideration of H.R. 16559, a bill to amend the Marine Resources and Engineering Development Act of 1966 to authorize the establishment and operation of sea-grant colleges and programs by initiating and supporting programs of education and research in the various fields relating to the development of marine resources, and for other purposes.

H.R. 16559 represents another major step in the comprehensive congressional study which began in February 1959, immediately following release of the initial report prepared by the Committee on Oceanography of the National Academy of Sciences, National Research Council, entitled "Oceanography 1960–70."

Great progress has been made in the marine sciences in recent years, but there is a great deal that needs to be done to implement the policy and objectives declared by the Congress in the Marine Research and Development Act of 1966. Until very recently there has been inadequate attention given to applied research and technology in the marine sciences and a consequent lack of trained personnel in the field of technicians and others below the graduate level in a number of important disciplines.

The purpose of H.R. 16559 is to provide for the establishment of a program of sea-grant colleges and education, training, and research in the fields of marine science, engineering, and related disciplines as a means of achieving the earliest possible institution of significant national activities related to the development of marine resources in and with relation to the total marine environment.

The term "marine environment" is defined in the bill to include the waters, the surface, and subsurface of the oceans

and the Great Lakes, and the resources thereof.

The terms "sea-grant college" and "sea-grant program" emphasize the purpose of establishing programs analogous to the land-grant college programs initiated under the Morrill Act of 1862, which have contributed so much to the development of agriculture in the United States during the past century.

Programs to carry out the purposes of the bill will be accomplished through contracts with, or grants to, "suitable public or private institutions of higher education, institutes, and laboratories" which are engaged in, or concerned with, activities in the various fields related to the development of marine resources.

Appropriations authorized for fiscal year 1967 are not to exceed the sum of $5 million and for 1968 not to exceed $10 million, provided, however, that amounts appropriated are to remain available until expended.

Mr. Speaker, I urge the adoption of House Resolution 982 in order that the bill H.R. 16559 may be considered.

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

Mr. Speaker, as stated by the distinguished gentleman from Florida [Mr. PEPPER], House Resolution 982 does provide for an open rule with 1 hour of general debate for consideration of H.R. 16559, relating to sea-grant colleges.

The purpose of the bill is to set up and provide authorizations for a program of education, training, and research in the fields of marine science, engineering, and related fields.

Such programs are to be undertaken at colleges and universities, both public and private, which are engaged in such activities. Grants will be made available; the maximum Federal share of any program is two-thirds. The Committee on Merchant Marine and Fisheries envisions this program as similar to the land-grant colleges program, now over 100 years old.

The National Science Foundation will be the administering agency. It will make the grants, initiate and support research programs in the field, and educational programs at selected colleges and universities.

For fiscal 1967 $5 million is authorized, and for 1968 $10 million; sums appropriated are to remain available until used. No money is in the budget this year.

There are no minority views; the bill has administration support.

I know of no objection to the rule, Mr. Speaker.

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

I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. LENNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 16559), to amend the Marine Resources and Engineering Development Act of 1966 to authorize the establishment and operation of sea-grant colleges and programs by initiating and supporting programs of education and research in the various fields relating to the development of marine resources, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 16559, with Mr. DADDARIO 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 North Carolina [Mr. LENNON] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. MOSHER] will be recognized for 30 minutes.

The Chair recognizes the gentleman from North Carolina.

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

Mr. Chairman and ladies and gentlemen of the Committee, over the past 7 years the Committee on Merchant Marine and Fisheries has been actively reviewing the fields of the marine sciences to the end of developing an effective statutory basis for the development of a coordinated, comprehensive and long-range oceanographic program.

The efforts of our committee, Mr. Chairman, of the Senate Commerce Committee, and of the numerous Government agencies involved in the various aspects of the marine sciences, educational institutions, laboratories and private enterprise, came to fruition when the President, on June 17 of this year, signed into law the Marine Resources and Engineering Act of 1966, now known as Public Law 89-454.

This was indeed, and I believe it will be acknowledged by all, a great step forward. This landmark legislation is already beginning to be implemented.

During the comprehensive consideration of legislation needed for the advancement of a national oceanographic program we attempted to explore, and we did explore, all facets of the problems involved in the creation of such a program, with particular regard to our existing capabilities and deficiencies. It was readily apparent that as a nation we will have to step up the development of the resources of the marine environment, expand our knowledge in this field, and provide greater encouragement of private investment enterprise in exploration, technological development, and economic utilization of the vast, untapped marine resources. It was also readily apparent that to carry out such a program new skills would have to be developed and many more persons encouraged to enter the field of oceanography and marine resource development. New skills would be needed at all levels of technology, engineering and exploitation.

Such is the background of the bill we are now considering, Mr. Chairman, to be called the National Sea Grant College and Program Act of 1966.

This bill, as an amendment to the Marine Resources and Engineering Development Act of 1966, would authorize the establishment and operation of programs of education and research in the various fields relating to the development of marine resources. The bill provides that the National Science Foundation will be the administering agency. It will, first, initiate and support educational programs at eligible institutions called sea-grant colleges and other suitable institutions and laboratories; second, initiate and support applied research programs; and third, encourage and develop advisory programs with the object of disseminating useful information to industry and scientific communities and the general public.

Under this act programs can be developed throughout the country embracing the entire spectrum of skills for which there is now such a recognized accelerating need. Thus, suitable institutions in the Great Lakes area and in the interior of the country interested in various aspects of the marine sciences would be encouraged to develop their programs just as much as interested institutions, private laboratories, colleges, and universities in our coastal States.

This bill would authorize an appropriation not to exceed $5 million for the fiscal year 1967, and not to exceed $10 million for the fiscal year 1968. Thus, the bill in effect would inaugurate a pilot project.

Our subcommittee strongly believes in the need for and long-range promise of this type of approach. But the limiting provisions take into account the fact that under the Marine Resources and Engineering Development Act the Commission under that act is charged with the responsibility of making recommendations within the next 2 years concerning the future organization of our national oceanographic program.

As stated in the committee report:

> Until the Commission has had an opportunity to review and make recommendations with regard to the perpetuation of the sea-grant college program, the Council—

That is, the National Council headed by the Vice President of the United States, which Council constitutes your major Cabinet officers as well as other people high in the Federal Government—this Council—

> will have the responsibility of advising the National Science Foundation and providing policy guidance to the Foundation with respect thereto.

Mr. Chairman, it is expected that the timing provided for in this bill will allow Congress ample opportunity to evaluate the program and to make permanent provisions so that there will be no loss of continuity of activity "if it is found to be feasible."

Mr. Chairman, it should be noted that the grants made under this legislation will be on a matching-fund basis and are not to exceed 66⅔ percent of the cost of any particular project in any

given year to be borne by the Federal Government.

Mr. Chairman, in addition to assuring broad participation in the program, it is provided that participants in a single State shall not receive more than 20 percent of the total funds appropriated to the Foundation on an annual basis.

Mr. Chairman, this bill was unanimously reported from the Oceanography Subcommittee which held rather extensive hearings, in depth, on the subject matter, to the full Committee on Merchant Marine and Fisheries and then, in turn, was reported unanimously to the floor for your consideration by the full Committee on Merchant Marine and Fisheries.

Mr. Chairman, the programs to be carried out under the provisions of the proposed legislation, we believe will importantly implement the basic Marine Resources and Engineering Development Act.

Mr. Chairman, that constitutes, in general, the basic objectives and purposes of this legislation.

Mr. Chairman, I know that the distinguished author of this bill and sponsor of it, the gentleman from Florida [Mr. ROGERS], shall be happy to answer any questions that may be put to him with respect to the proposal that we bring today to the floor of the House.

Mr. Chairman, the gentleman from Virginia [Mr. DOWNING] has shown and demonstrated tremendous industry and interest in this proposal, as well as the gentleman from Ohio, the ranking member on the Oceanography Subcommittee of the Committee on Merchant Marine and Fisheries [Mr. MOSHER], as well as the other members of that subcommittee and the full committee.

Mr. Chairman, I might say for the interest of some of the Members who earlier today had indicated an interest in this legislation, that there is now pending in the other body legislation which follows this general line but which would establish the so-called sea-grant colleges and sea-grant programs in those participating universities and laboratories and other technical institutes which are presently engaged now in some aspect of our marine science program.

Mr. Chairman, the legislation now pending in the other body provides for a 3-year program, a program which calls for an authorization of $10 million for the first year, $15 million for the second year, and $20 million for the third year. After the third year there is provided an open-end authorization.

Mr. Chairman, the legislation—and I will say quite candidly to the Members of the Committee of the Whole House on the State of the Union—I conferred with the distinguished author of that bill, the Member of the other body from the State of Rhode Island, and he is holding his bill in abeyance from the consideration of the floor of the other body until we hopefully pass this pending legislation.

Now, Mr. Chairman, a question has been raised as to why we cut the program off at the end of 2 years. We, very frankly, tell you that we believe the practicalities of the situation, and in the public interest, and in the interest of Congress, if we bring this program back to the House of Representatives and to the respective legislative committees for their consideration, then we will have let us say, an oversight—be an oversight committee. We say, too, that inasmuch as the Commission created by the act that we passed this year and which was signed into law by the President in June, requires that Commission to make a study, in depth, and to recommend to the President and to the Congress the structural—yes, the governmental structural program of the oceanography program which you ladies and gentlemen know is proliferated among some 16 different agencies and departments of the Federal Government.

We do not say that from now on the National Science Foundation will handle this program. We only say to you, it is housed there for a period not exceeding 2 years. Then this House, acting through the legislative committee representing it, will make the final determination as to where this program will be administered from in the future.

Mr. Chairman, I yield back such time as I may not have consumed.

The CHAIRMAN. The gentleman from North Carolina has consumed 10 minutes.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. MOSHER].

Mr. MOSHER. Mr. Chairman, I want to join the gentleman from North Carolina [Mr. LENNON] in urging the favorable consideration of the bill, H.R. 16559. The evidence before our subcommittee was certainly conclusive that there is a crucial national need for skilled manpower trained in marine science and engineering. I think this bill provides the instrument for beginning to beef up our trained manpower in that field.

Mr. Chairman, I would like to point out that the support on this bill on the minority side of the subcommittee and on the minority side of the full committee was unanimous.

Mr. Chairman, the purpose of H.R. 16559 is to spur the development and the profitable exploitation of the marine resources of the United States. It would accomplish this by establishing a 2-year pilot program of sea-grant colleges and education, training, and research in the fields of marine science, engineering and related disciplines so as to insure the availability of necessary skilled manpower.

The program would be financed on a matching fund basis. Participants in the program must put up matching funds in the amount of one-third the total of any grant. However, no more than 20 percent of the total payments in any fiscal year shall go to participants in any single State. Appropriations authorized by this legislation for fiscal year 1967 are not to exceed $5 million and for fiscal year 1968 not to exceed $10 million. Amounts appropriated, however, are to remain available until expended.

This bill would amend the Marine Resources and Engineering Act of 1966 so as to provide a separate title II entitled "Sea Grant Colleges and Programs." Coincidental with the enactment of that act—Public Law 89-454—the Panel on Oceanography of the President's Science Advisory Committee completed its report entitled "Effective Use of the Sea." It noted, in part, that:

> Clearly, the United States lags behind other nations in the technology of fishing and aquiculture.

This same report further recommended that one of the four functions to be performed by the Government in achieving the goals of a national ocean program should be:

> 4. Initiate, support, and encourage programs of education, training, and research and provide technical services and facilities related to activities in pertinent sciences and technology.

H.R. 16559 is in keeping with this recommendation of the Science Advisory Committee composed of eminent men of learning from business and institutions of higher learning.

The oceans of the world hold forth the challenging promise of providing future generations of Americans with minerals, food, energy, and even fresh water.

To meet this challenge effectively, we will require capably trained personnel, since they are one of the essential keys to unlocking these untapped natural resources in the ocean depths.

Mr. Chairman, in conclusion I want to emphasize that the Great Lakes area is by definition fully eligible to participate in the programs authorized by this bill. H.R. 16559 offers a vehicle to attain this goal and for transforming into achievement this great promise. I therefore strongly urge that the House favorably consider the bill, H.R. 16559.

Mr. Chairman, I also ask unanimous consent that the gentleman from Washington [Mr. PELLY] be allowed to extend his remarks at this point in the RECORD.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. PELLY. Mr. Chairman, I rise in support of H.R. 16559 to provide for the establishment of a program of sea-grant colleges analogous to the land-grant college program initiated under the Morrill Act of 1862 which has contributed so much to the development of agriculture in this country during the past century.

A great forward step was taken toward an effective long-range marine sciences program with the enactment last June of the so-called oceanography bill—the Marine Resources and Engineering Development Act of 1966.

Now comes this legislation to implement this policy and the objectives of that act by providing research and technology in the marine sciences and to fill the shortage of trained personnel in this field.

The National Science Foundation would administer this legislation at the outset or at least until it is transferred under governmental reorganization with other existing programs of marine sciences to a new agency, if this should occur.

Under this bill, the total amount of payments in any fiscal year by grant or contract cannot exceed 66⅔ percent of

the total cost. Nor could any portion of any payment be applied to the purchase or rental of facilities or vessels. Furthermore, no amount within any one State shall exceed 20 percent of the total.

A sea-grant college means any suitable public or private institution of higher education which, like the University of Washington in my own congressional district, has major programs devoted to increasing our Nation's utilization of the world's marine resources.

Funds authorized by this bill include $5 million for the fiscal year ending June 30, 1967, and $10 million for the fiscal year ending June 30, 1968.

Mr. Chairman, I strongly recommend that H.R. 16559 be favorably considered.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. LENNON].

Mr. LENNON. Mr. Chairman, I yield such time as he may consume to the distinguished author of the bill, the gentleman from Florida [Mr. ROGERS].

The CHAIRMAN. The gentleman from Florida is recognized.

Mr. ROGERS of Florida. Mr. Chairman, I thank the chairman of our subcommittee and wish to express to him and other members of the subcommittee and the full committee appreciation for the job that the committee has done in considering this legislation and considering it very thoroughly.

Mr. Chairman, I think this is an important piece of legislation because it would establish a program for sea-grant colleges and other educational systems in order to stimulate a greater national emphasis in the training of marine scientists, engineers, and technicians. Such a program is vitally needed if the United States is to keep pace with Russia's efforts not only to control the surface of the seas but the vast resources of the underseas as well.

This bill, H.R. 16559, would provide grants on a matching basis to institutions of higher education, junior colleges, technical institutes, laboratories, vocational schools, and similar educational organizations having capability for marine curriculums. This means that at least one-third of the cost of the educational or training programs will be borne by the recipient.

Why do we need this legislation? A primary reason is seen in the fact that the U.S.S.R., the first world power to put a satellite into orbit has already begun to accelerate its underseas exploration. A noted Soviet scientist recently wrote and I quote:

> The nation that first learns to live under the seas will control them and the nation that controls the seas will control the world.

In the light of the facts, the U.S.S.R. is quietly and silently, without the fanfare which signaled the Soviet's sputnik, beginning to master the earth's marine environment. The Soviets now have—and I wish you would note this—some 1,500 marine scientists supported by another 7,500 engineers and technicians working in oceanography and related underseas technology. By comparison the United States can claim some 700 marine scientists supported by approximately 2,500 technicians.

In short, Russia outnumbers us already 3 to 1 in terms of marine experts. Furthermore, the Soviets are expanding their ranks more rapidly than we are. Soviet marine technology efforts center in the state-controlled Institute of Oceanography, which has expanded over the past 15 years to five times its previous size.

Mr. Chairman, the United States has no reason to be complacent about the state of our marine exploration efforts. Russia is already reaping immense benefits from the seas. Fish, the cheapest source of protein for the world's rising population, are a prime target for Soviet trawlers. The U.S.S.R. has made a science out of fishing, and they have their oceanographers go out with their fishing fleets and give them instructions as to how and where to fish.

Since 1940 the Soviet catch has quadrupled. Soviet production plans for the period of 1965 to 1970 call for a 50-percent increase in Soviet fisheries. The United States, which is now having to import 62 percent of its fish products, has allowed its fisheries to decline to the point where they were 18 years ago. Six hundred million dollars a year is spent for importing fish into the United States, and some of those on the Ways and Means Committee who are concerned with the outflow of gold, I am sure, will be vitally interested in the fact that every other fish in the American fryingpan has to be imported, and we are pouring out gold to the extent of $600 million a year.

Fish represent only a portion of the sea's benefits. In 1960, 8 percent of the free world's oil supply came from sources beneath the ocean. Last year offshore drilling accounted for 16 percent of the free world's supply. The oil industry has already predicted that 40 percent of the free world's supply will come from offshore wells by 1975, just 9 years from now. Now, who will be the first nation to control these vast oil resources? The United States or the U.S.S.R.?

Oceanographers estimate that the sea holds millions of metric tons of untapped valuable minerals that we do not yet have the technique or the knowledge to extract. They are magnesium, bromine, boron, uranium, copper, manganese—and, incidentally, just found is a vast bed of manganese right off the shore of Florida and Georgia which is estimated to be 1,900 square miles of manganese anywhere from 3 to 4 feet in depth—and it is also estimated that in the vast areas of the sea there is to be found there an estimated 10 billion tons of gold and 500 million tons of silver.

These things are among the reasons this Nation should be the first to exploit the earth's last frontier under the seas.

Finally, in addition to peaceful exploitation of the marine environment, there is another pressing reason for the U.S. advance in marine technology. I refer to antisubmarine warfare. It has been reported that the Soviets now have developed a missile-launching system capable of being submerged in depressions or holes along the ocean bottom for future remote-controlled deployment. Soviet oceanographers have already made extensive maps of the floor of the Pacific, and now Soviet oceanographic research vessels are seen with increasing frequency near the Gulf of Mexico and the Atlantic and west coasts of the United States.

As envisaged in this legislation, the United States must embark on a concentrated course of total marine exploitation. Just as important as the seas surrounding this Nation's coastline are the interior waters and the Great Lakes. It it significant, too, I believe, that some of this Nation's most advanced research is being conducted in the universities of the inland States.

Mr. Chairman, the distinguished Senator from Rhode Island, Senator PELL, whose leadership in the Congress has made great contribution to the sea-grant college program being proposed, conducted the initial congressional hearings on this matter. As chairman of the Sea-Grant College Subcommittee, Senator PELL's hearings brought forth the fact that in royalties alone under Federal leases for mineral production covering the outer Continental Shelf, this Government received payments which came to $101 million in 1965. These mineral leases pertain primarily to sulfur, oil, and gas.

It is clear that the United States has only begun to utilize the resources which can be found in the waters within and at the edge of this Nation. The funds authorized in this legislation are meager when compared to the annual revenues already started to be gained from marine development.

However, I urge the Congress to approve this program to expand the ranks of our marine brainpower in order to develop the skills and technology necessary for marine exploration. Our returns will not only be financial, but this Nation will prosper with the development of the seas in this century under the sea-grant college programs just as America has prospered as a result of the land-grant college system established in the 19th century.

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

Mr. ROGERS of Florida. I am delighted to yield to the gentleman from Missouri.

Mr. HALL. Mr. Chairman, I appreciate the gentleman yielding.

I want to say that I have a keen awareness of the basic concept here—of the need for more marine development and research—but in the opinion of the gentleman from Florida who edited the bill, and also the distinguished gentleman who serves with me on the Armed Forces Committee and is handling the bill on the floor today, is this in the order of priority for institution at this particular time, so that we should commit this extra $15 million over the next 2 years, in spite of the President's message of last Thursday afternoon and the other actions that have been taken by the Congress and elsewhere today?

Mr. ROGERS of Florida. Yes. May I answer the gentleman this way: I believe this committee has considered this legislation and has taken this matter

into consideration in scaling down the program, but at least we get it started.

Let me say this. Here we are seeing our country making great progress in space. We have just seen a great demonstration of this within the last few hours. We have concentrated so much on space, and we have spent billions and billions and billions of dollars on space. We have neglected the sea where we have the greatest possibility of bringing economic benefit in return for research. We are only asking for $15 million in 2 years' time to try to get enough oceanographers and enough scientists and enough technicians so we can begin to do something to get some of the resources of the sea.

Already this Nation, from royalties alone, just from oil and gas from the Continental Shelf, is receiving annually $100 million. I do not know how much is being brought in from the moon shot, but I know what is going to come in from development of the seas. I believe if I were to say what we ought to be spending really in development of this program, it would be in the hundreds of millions of dollars, because we can get that and many more millions—hundreds of millions—in return for a modest investment. So I would say positively we should do this.

Mr. HALL. If the gentleman will yield further, the question was not as to the amount, but as to the timing in view of the President's message, in view of our present spiraling inflation, in view of the increased interest rates, and in view of the general recession that the President himself has recognized. That was the only question.

Mr. ROGERS of Florida. I understand. I can understand why the gentleman would ask this. But I would answer him with a very positive "yes" on this. Our timing is late. We have been studying this program. We have been trying to get enough consciousness in this country to know we need to do something about the development of the seas.

I am sure we are going to see the priority recognized finally.

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

Mr. ROGERS of Florida. I yield.

Mr. HALL. Again, I appreciate the gentleman's answer. I want to state that I am not arguing with the gentleman about this.

Mr. ROGERS of Florida. I appreciate that.

Mr. HALL. I am simply asking a question for information.

The gentleman, and certainly the chairman of the Subcommittee on Oceanography, is conscious, along with me, of the tremendous expenditure we are making on oceanography in the joint committee, in the Interservice Committee chaired by the Assistant Secretary of the Navy for Defense and Engineering. In fact, the Navy is contributing, I believe, 76 percent of that amount of funds.

The Armed Services Committee does keep jurisdiction over that portion of the Joint Committee on Oceanography, so to speak, which pertains to defense purposes, such as the automatic research off the Bahamas and the floor of the ocean and many other devices, some of which the gentleman mentioned.

Does the gentleman have an idea about the total amount of funds we are now spending, in millions of dollars, for the entire oceanography program under existing circumstances, before we establish the sea-grant colleges?

Mr. ROGERS of Florida. Yes; we do. We have gone into this figure. We know exactly what is being spent. Two hundred and seven million dollars is the amount approved this year for unclassified oceanographic programs.

I see that the chairman would like to have me yield at this point, and I yield to the gentleman from North Carolina.

Mr. LENNON. I believe the gentleman from Missouri would be interested in the testimony given before the subcommittee by the oceanographer from the Navy.

I wish it had been possible for all of the Members of the House to see the pictures, the photographs, taken of the recovery of the bomb with the nuclear warhead off the shores of Spain. Without the knowledge of the people in the Navy, in the oceanographic program, who were working with private enterprise and who ultimately recovered that weapon, this country would still be faced with a rather embarrassing situation.

Admiral Waters, in his testimony before the subcommittee, was as strong as or stronger than any other person who appeared in behalf of this legislation on this basis, I say to the gentleman from Missouri: that we have not nearly enough "chiefs" yet in the field of oceanography, but also we do not have enough "Indians."

When ESSA, down in the Department of Commerce, commissioned its vessel only about 3 weeks ago, we found that they had difficulty in getting on board a fully competent crew to man the various scientific instruments and things that they use in this field.

We believe this legislation will bring into the field of oceanography not the M.A.'s and Ph. D.'s, but people who have a basic knowledge of what we are trying to do in this marine science and technology world.

That is the "guts," frankly, I say to the gentleman from Missouri, of my strong feeling as to the need for this legislation.

I say to the gentleman that we met with representatives of the Bureau of the Budget on three occasions. We had their assurance that in their opinion this was a priority. That was 4 or 5 weeks ago. I recognize what the President said just last Thursday.

I say, this is an authorization. Let them make the determination whether or not they want to give this priority with respect to actual appropriations.

Mr. HALL. Mr. Chairman, if the gentleman will yield further, to continue this line of thought, I do appreciate the answer of the chairman, as well as of the gentleman in the well.

I realize the gentleman said that this is just during a pilot project for the next 2 years. Frankly, I appreciate the subcommittee's not carrying it too far beyond the next Congress, but still allowing for a little continuity.

How firmly are we wedded to the National Science Foundation for administration of this particular program? I realize that we can look at it again, but once it is established and ensconced, and once they develop the technicians—I am a little worried about first, jurisdiction in general; and, second, the Foundation administering this program, that might send a man like Stephen Smales to Moscow to raise the devil with American efforts to prevent rewarding aggression on the part of North Vietnam, with 2-year grants and complete travel expenses from southern California to Moscow and return.

Mr. ROGERS of Florida. May I point out to the gentleman from Missouri this is one of the reasons for the concern of the committee. We did not allow the National Science Foundation to direct this program even for the 2-year period without a policy committee having jurisdiction over the program. We have amended the act which was just passed setting up a National Council on Marine Resources and Engineering Development. In this bill we give the Council the policy direction. So that we have made the National Science Foundation just an administering body which is responsible to this Council. Also, as you will recall in the bill we passed before, and as I recall it the gentleman did support it, when we set up a National Council we had a Commission established to make a study of the oceanographic capability of this country. We said that the Commission is to report back to Congress on the type of organization we should have, and whether we should have a department or have two polarized departments and build around them, or whatever we might do from the standpoint of an organization.

For this reason we have kept the legislation to 2 years in order to keep it in tune and in alinement with the report of this Commission. We anticipate, therefore, that the Commission will also make recommendations as to where this program will be housed. This is simply a temporary measure under the policy direction of the Council, and is not left to the National Science Foundation, which I think will satisfy the gentleman in his concern.

Mr. HALL. Will the gentleman advise me as to his personal feeling, or that of the subcommittee, as to what might happen in the interim if the Joint Committee on the Organization of the Congress report is implemented by the omnibus bill in the interim?

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

Mr. MOSHER. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. HALL. Mr. Chairman, will the gentleman yield further for an explanation of that?

Mr. ROGERS of Florida. Yes.

May I say that the time element is going to be such that we have a 2-year period, and it will take almost this long for the Commission to make its report. It will be phased out within 18 months,

we anticipate, from the time it is appointed. That gives us a 2-year period, which would then give Congress sufficient time to enact legislation. This is what we anticipate. We do not intend just to leave it in the National Science Foundation, and I think that is the gentleman's concern.

Mr. HALL. No; it is even more than that, because the Joint Committee on the Organization of the Congress recommended that the Committee on Merchant Marine and Fisheries be disbanded and its jurisdiction be disseminated elsewhere.

Mr. ROGERS of Florida. No. There was some talk about that, but I believe if the gentleman will check they did not finally agree to that.

Mr. HALL. This is still in the pot in the joint committee, let me say to the gentleman.

Mr. ROGERS of Florida. I believe the recommendations have already been made.

Mr. HALL. Second, there is a question as to whether or not there should be armed services jurisdiction ultimately.

Finally, there is the question as to whether it should not remain exactly where it is, in the jurisdiction of the Congress over this new resources commission under the National Science Foundation. Again, I am simply seeking information and I have no specific recommendation. I am certainly not married to the Joint Committee on the Organization of the Congress recommendations, on which committee I have served for the past 2 years.

I thank the gentleman.

Mr. ROGERS of Florida. I thank the gentleman.

Mr. LENNON. Mr. Chairman, I ask unanimous consent that the gentlewoman from Oregon [Mrs. GREEN] may extend her remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mrs. GREEN of Oregon. Mr. Chairman it is extremely significant, I think, that we are taking up at this time the bill to establish and operate sea-grant colleges and programs.

This legislation will contribute significantly to the developing fields of oceanography, related marine sciences, engineering, and studies concerning the legal, economic, and medical aspects of the seas.

This bill comes at a time when the need for American excellence in these fields has been clearly demonstrated. It is at a time when we have just been shown woefully lacking in our knowledge concerning our own fishery resources off the west coast.

A large, efficient Russian fishing fleet is operating off the Oregon, Washington, and northern California coast. The Director of the Bureau of Commercial Fisheries has said he feels the Russians are reducing the perch and hake resources substantially below the maximum sustainable yield level. Yet, the fact is that we do not have enough accurate scientific data available to prove or disprove this assertion. The physical evidence of recent poor takes of perch and hake by American fishermen points positively to the theory of Russian overfish.

However, after a recent meeting with Russian fishery representatives in Moscow, State Department and Bureau of Commercial fisheries representatives were forced to conclude that the Russians knew as much, if not more, about west coast fish resources than the U.S. citizens. This is, indeed, a sad state of affairs. The Soviet experts feel a substantially greater tonnage can be taken from the perch and hake resources than do American experts. If the American guestimate is correct, this important resource will suffer grave damage. It may take years to repair that damage. But we simply did not have enough scientific information to document our case.

Important strides forward have been taken by the United States in recent years in the field of oceanography. The estimated 1966 budget in this field was $178.2 million. The President's budget calls for an increase to $219.9 million in 1967.

Basic research is required to support much-talked-about, long-range objectives of any scientific program. Much of the oceanographic research sponsored by the Federal Government in universities and institutions is of this nature. In fact, almost one-half of the 1966 oceanography budget went into research. Yet even with this huge investment in basic research, the United States has only about 1,000 qualified oceanographers.

The Soviet Union, a protein-hungry country, hopes to harvest 20 million tons of fish yearly from the oceans by 1970. Already, she has half again as many scientists working on this goal as does the United States.

The oceanographers' search for food has possibilities of becoming a crisis of major proportions. U.S. population will double by the turn of the century. More and more, it will be necessary to look beyond our present methods of food production to feed our own people and a hungry world.

Today, more than two-thirds of the people of the world suffer from protein-deficiency diseases. This problem could be alleviated through wider harvest and distribution of the resources of the sea. The significance of the relatively unexplored two-thirds of our planet is not limited to the area of food.

Dr. F. N. Spiess, head of the Marine Physical Laboratory of the University of California's Scripps Institution of Oceanography, was recently quoted in the New York Times as follows:

> Within 50 years, man will move onto and into the sea—occupying it and exploiting it as an integral part of his use of this planet for recreation, minerals, food, waste disposal, military and transportation operations and, as populations grow, for actual living space.

The search in 1964 for the ill-fated *Thresher* focused national attention on our technological limitations for penetrating and working in the ocean depths. Since then programs have been funded to begin correcting this deficiency.

I think, Mr. Chairman, that the $15 million asked for over a 2-year period for the national sea-grant college program is a vital step up the "down-ladder" into understanding of the ocean's depths.

Mr. MOSHER. Mr. Chairman, the gentleman from Missouri [Mr. HALL] was seeking some figures a few minutes ago. I believe $141.6 million is the total amount proposed by the President for this fiscal year for all of the 20 some Federal departments and independent agencies and bureaus involved in oceanography. Of that amount, about 50 percent is represented by the Navy's participation.

Of course, that this is a tremendous amount of money; and we are making the point that it is important that the Government personnel involved in this expenditure should be trained effectively. That is what we are aiming at in this legislation. The evidence before our subcommittee proved a crucial national need for more and better trained manpower in the marine sciences and engineering, so that our $141.6 million, or more in future years, will be even better invested.

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

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

Mr. GROSS. I would like to ask the gentleman if this is a brick and mortar bill? In other words, would this bill launch us in the business of building sea-grant colleges from scratch, or is it intended that the colleges be located in already existing institutions?

Mr. MOSHER. Mr. Chairman, the gentleman from Iowa has asked a very good question. This is intended to involve existing institutions; that is, there is no intention on the part of the committee that his bill will launch what the gentleman from Iowa calls a brick-and-mortar program of new institutions.

Mr. LENNON. Mr. Chairman, will my distinguished friend, the gentleman from Ohio [Mr. MOSHER], yield to me at this point?

Mr. MOSHER. I am glad to yield to the gentleman from North Carolina.

Mr. LENNON. Mr. Chairman, if the gentleman from Iowa will look on page 6, subsection (2), the gentleman will find the following language:

> No portion of any payment by the Foundation to any participant in any program to be carried out under this title shall be applied to the purchase or rental of any land or the rental, purchase, construction, preservation, or repair of any building, dock, or vessel.

Mr. Chairman, that language appears beginning at line 7 on page 6 and ending on line 11 of the same page.

Mr. GROSS. Mr. Chairman, I thank both gentlemen.

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

Mr. MOSHER. I am glad to yield to the gentleman from Virginia.

Mr. DOWNING. Mr. Chairman, I thank the gentleman from Ohio very much.

Mr. Chairman, as a member of the subcommittee which studied the subject of

the legislation for many weeks, I rise in support of this legislation.

Mr. Chairman, the timeliness of this program, I think, is an appropriate question that should be answered.

In the opinion of many of the experts, it is past time for this great country of ours to begin its exploration into the development and utilization of the resources of the ocean.

Mr. Chairman, many experts say that the great population explosion of the earth which is occurring now and which will be of critical proportions by the year 1975, or whatever the year is, they say that when it reaches its peak, then this great mass of humanity is going to have to look to the sea in order to survive.

So, Mr. Chairman, I feel it is imperative to begin now to study how we can utilize the sea and then to develop the needed resources which this great country needs, some of which we must import from other countries, such as manganese and other ones.

Mr. Chairman, already, investigations show that at the 1-mile depth we can retrieve manganese which lies on the ocean floor in chunks as large as the fist of a man's hand.

Then, too, there is copper at the 2-mile-depth level. Certainly, this is an ore needed by this country.

Then, Mr. Chairman, there are other exciting projects involving underwater engineering. All of these things add up to the fact that we ought to begin with our secondary schools, colleges, and other institutions to expand the study in this new field. It is a new exciting field of inner space and we should prepare for it now.

Mr. MOSHER. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. WYDLER].

Mr. MATSUNAGA. Mr. Chairman, will the distinguished gentleman from New York yield to me at this point?

Mr. WYDLER. Yes, I would be glad to yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 16559, the National Sea-Grant College and Program Act of 1966 and to commend its author, the gentleman from Florida [Mr. ROGERS]. I am pleased to be a cosponsor.

Mr. Chairman, on June 17, 1966, the President signed into law the Marine Resources and Engineering Development Act of 1966. This act declares it to be the policy of the United States "to develop, encourage, and maintain a coordinated, comprehensive, and long-range national program in marine science for the benefit of mankind, to assist in protection of health and property, enhancement of commerce, transportation, and national security, rehabilitation of our commercial fisheries and increased utilization of these and other resources." The act of June 17, 1966, provides a legislative base, a legislative commitment of policy and purpose, and a statutory body to plan, evaluate, and coordinate such a program. In short, the Marine Resources Act stimulates the search for knowledge and the development of technology for greater use of the great living and inert resources of the seas.

But ocean science and technology, unless applied, can have little impact upon our economy. From my own experiences on the House Committee on Agriculture, I am well aware that the full exploitation of a resource such as the oceans requires men and women well educated in the sciences that lead to the understanding of this resource, and who are instructed in the technologies required to exploit it. I am also cognizant of the fact that the American farmer is the object of admiration in many parts of the world today because of the education, training and demonstration and practical research made possible by the land-grant colleges, which were created under the Morrill Acts of 1862 and 1890. Applying this logic to the exploitation of marine resources inevitably leads to the concept of the sea-grant colleges and to proposals that the Congress foster the creation of such institutions.

H.R. 16559, introduced by the gentleman from Florida [Mr. ROGERS] on July 26, 1966, is a firm and definite step to encourage and permit the application of the new ocean science and technology that we expect will be stimulated by the Marine Resources Act. It will supplement the latter. The two together will be able to do much more than they could separately.

The bill now being considered by this House would have Congress recognize for the Nation that marine resources, including animal and plant life of the seas and their mineral wealth, constitute a far-reaching and largely untapped asset of immense potential significance to the United States. It would recognize that our national interest requires us to develop the skilled manpower and facilities and equipment needed to use these resources. It would recognize that the cultivation of the seas and the recovery of marine resources can provide substantial benefits to the country.

In October 1965, some 400 scientists and community and military leaders from all over the country met on the island of Kauai in Hawaii in a notable conference called by Gov. John A. Burns to explore the field of oceanography and astronautics. The papers presented there support the promise of oceanography and its applications that underlie the purpose of H.R. 16559. With this firm base of reasons for exploiting the seas and their contents, the bill then proposes an innovation that I think ranks in importance with the establishment of the land-grant colleges. It would authorize the Federal Government to support sea-grant colleges in several distinct and important ways.

Briefly, H.R. 16559 would authorize the National Science Foundation to initiate and support programs for: First, education and training at sea-grant colleges in the marine sciences; and, second, research and development in the marine sciences which would result in the acquisition of knowledge of a direct and practical nature. In addition, the Foundation would be authorized to encourage and develop programs consisting of instruction, practical demonstrations, and publications in such sciences. All of these programs would be carried out by the National Science Foundation in consultation with the scientists and engineers active in fields related to the development of marine resources and with Government agencies interested in or affected by activities in such fields.

In the translation of theory to practice, the sea-grant colleges can become a vital, essential link in the chain that begins with exploration and scientific research, and ends with the delivery of food to the hungry and materials to the factories. The sea-grant colleges will educate and train the people and inculcate in them the vision and the enterprise to open and occupy and live upon the intellectual frontiers of science and technology and the physical frontiers of the oceans. The sea-grant colleges will help translate the discoveries and findings of our national oceanographic program into practice, techniques and equipment for the application of the marine sciences. And their success will, in turn, provide still further reason for the long-term Federal support of oceanography.

We of the Island State have long recognized that Hawaii's future lies with the sea. Our marine setting has led us to believe that marine science and technology may surpass the space effort as a great American endeavor. Hawaii has special advantages as a center of oceanographic research. First, it is at the center of the earth's largest ocean. Close at hand is nearly any sea condition that might be required for almost any investigation. Great ocean depths are within easy reach, and the same is true of the continenal terrace. A moderate climate, favorable sea conditions, the absence of violent storms, clean and uncontaminated sea water, and the profuse abundance of sea life all are assets of great value. The lore of the sea and the understanding of its ways is embedded deeply in our island culture. We are glad to join with our sister coastal States in creating and strengthening the institutions that will provide the trained men and women to open this new world.

All of these characteristics make Hawaii extremely well qualified to serve as an American field station in the sea.

In addition to these important natural attributes, Hawaii is also a growing center of intellectual eminence in this field. The University of Hawaii is rapidly developing into one of the world's great geophysical research centers. Its department of oceanography, created as a separate department just 2 years ago, has already assembled a fine staff and plans to enlarge it significantly. Professors in this department are conducting important research in both biological and physical oceanography.

Much of this research is being done in association with the Hawaii Institute of Geophysics and the Hawaii Institute of Marine Biology. The former provides physical facilities on campus and a research vessel berthed at Kewalo Basin in Honolulu. The latter organization operates a laboratory at Coconut Island, situated in Kaneohe Bay approximately 15 miles northeast of downtown Honolulu.

To supplement the capabilities of the university and the institutions associated with it, there are the oceanographers of the Bureau of Commercial Fisheries, which maintains an installation at Kewalo Basin, and the Oceanic Foundation, which has a new laboratory and aquarium in Honolulu.

Another truly unique characteristic of the University of Hawaii is its role as a meeting place of the East and the West. Here, we find conditions that are ideal for interchanges and interactions between our culture and that of the East. With proper support, this characteristic of the university could be combined with the institution's growing stature in the science and technology of oceanography to become a world center for marine research and, perhaps of even greater significance, for the application of that research and development.

Enactment of H.R. 16559 would provide the means to further strengthen and balance the educational and research programs of centers such as the University of Hawaii by giving attention to application as well as to teaching and research in the sciences of the oceans. And it is to such centers that we ought to look for trained personnel, and for demonstration and instruction in new methods and techniques for people now working the seas. This education, training, demonstration and instruction, and this research which will be oriented toward application, can be a vital part in our defense against the specter of world hunger that is beginning to become visible to us in the mists of the future. We still have some years of grace before it bursts upon us. And during these years we can, by establishing sea-grant colleges as proposed in H.R. 16559, seize an important opportunity to develop our use of the seas.

Mr. Chairman, I strongly urge a favorable vote for H.R. 16559.

Mr. WYDLER. Mr. Chairman, I rise in support of this bill and in support of the purpose of this legislation.

Mr. Chairman, I feel it is fairly evident to the Nation at large that the field of oceanography is one in which we will see in the next few years a great development, both in the private sector and in the sector of participation on the part of the Federal Government.

Unlike space which has just one customer, the Federal Government itself, the field of oceanography is something that is going to draw in the private sector of our economy to produce great wealth for all our people. It is important that the Government does what it can at this point to make this possible. The first thing that has to be done is the strengthening of our scientific manpower and our available supply of technicians so that they are available when our Nation is ready to move into this field of oceanography and into the full development of the riches under the sea.

I am particularly interested in this bill because I come from Long Island which is geographically the oceanography center of New York State. We are the outlet of New York State to the sea. I expect and I hope to see the Long Island area play a very important part in the development of oceanography in New York State and in the United States of America. I hope someday to see it the oceanography center of the world. I do not think that is hoping for too much because we have the potentials and the background to do that job.

Mr. Chairman, I would like to direct a question, if I might, to the author of the bill, because we have on Long Island a thought about using the provisions of this bill in a certain way and I just want to see if it would be possible under the provisions as drawn to do so.

Would it be possible under the bill, as it is being submitted to the House today, for a group of universities with oceanography programs to form some type of consortium whereby they could run a joint facility which could be utilized by all of them in developing scientists and technicians in this field?

Mr. ROGERS of Florida. I would think this would be very feasible with respect to accomplishing and developing greater knowledge in the field of oceanography in the most economical way. That is what we want to do. That is the purpose of the bill and the purpose of our trying to do something about this whole problem. So I think this would be very feasible. I think the policies would probably have to be gone over by the council, but I would envision that this would be the type of thing that would encourage it.

Mr. WYDLER. Mr. Chairman, I just want to make the suggestion, and I cannot let the opportunity pass, and urge those members of the conference committee, who are finally selected by the House to meet with the representatives of the other body, to insist very strongly on the provisions concerning the authorization in this bill.

We should not allow this bill to pass in the form being suggested by the other body to allow an open end as to the authorization provisions. I think such provisions for open end are very bad from the point of view of supervision by the Congress. We have it in the National Science Foundation today and I think it has been a mistake. I think it should have been changed long ago. But I do not think we should have any more of these open end authorization programs. We have seen that years go by and these programs are not reviewed and later we find ourselves making corrections that could have been made along the way if we had had these periodic reviews, such as we now have in the proposed House bill.

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

Mr. WYDLER. I yield to the gentleman.

Mr. LENNON. We anticipate that if the House passes this bill today that it will be passed exactly in the same form in the Senate. The gentleman in the House can be assured that as one conferee, I will not agree to any open end authorization.

Mr. WYDLER. I thank the gentleman.

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

Mr. MOSHER. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DON H. CLAUSEN].

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

Mr. DON H. CLAUSEN. I yield to the gentleman.

Mr. HATHAWAY. I thank the gentleman.

Mr. Chairman, I am pleased to rise in support of this legislation to authorize the establishment and operation of sea-grant colleges. This bill provides for the initiation and support of programs of education, training, and research in the marine sciences. This bill is of especial interest to Maine's maritime industry because it promises to develop one of Maine's greatest natural riches. As the world's population continues to grow, we will have to look increasingly to the sea for food and important raw materials.

Gainful utilization of marine resources can substantially benefit our Nation by providing greater economic opportunities, including expanded employment and trade, new sources of food, and new means for the utilization of the vast mineral deposits and other substances to be found in the marine environment. It is urgent that we turn our efforts to an intensified effort to explore and harvest the sea.

Passage of this measure will be a giant step forward in the utilization of our marine resources.

Mr. DON H. CLAUSEN. Mr. Chairman, I rise to join with my colleagues in enthusiastic support of this legislation. I am particularly impressed with the very profound statement made by the principle author of the bill, Mr. ROGERS of Florida. Being one of the coauthors myself, I can only say that there is not one word in his statement that I do not agree with. I fully concur with his remarks and want to associate myself with them.

Certainly, those of us who do live in the coastal sections of the United States are reminded with each passing day of the increasing international pressures that are brought about by the presence of Russian fleets, the Japanese fleets, the Korean fleets and others, fishing in our waters.

I would remind everyone on the floor of the House today that the time is passing, and as a matter of fact, I believe it it almost too late for us to meet the commitment that we should be making in the vital field of oceanography.

Certainly, with the sea-grant colleges—and we have had some experience with the land-grant program—I would hope that this legislation will provide a major breakthrough towards meeting a parallel success we have enjoyed with the land-grant college program.

As the gentleman from Missouri and the gentleman from Iowa have both pointed out, very wisely I believe, it is a question of high priority and the fact that this legislation is designed to work through existing educational institutions, in my judgment, is one of the stronger points of the bill permitting the United States to develop the badly needed brainpower in the field of marine science and oceanography. It is long over-

due. As I said before, a program of this type is designed to meet the economic and educational competition of some of our major ideological adversaries throughout the world. On the question of return on investment, where could we have a similar potential return, when we know full well, based upon existing explorations, the vast resources of the sea are literally unlimited.

I think that the opportunities in potential enterprise developments also would be categorized as unlimited.

I firmly believe that one of the most important challenges facing this country today lies in our tapping the vast resources of the sea. In these days of rapidly advancing technology, we lack adequate information about our marine resources that give us an indication of how we may eventually utilize the treasures that await us in the world's oceans.

Lately, however, as more and more people recognize the resource potentials of the seas, we have begun to take the first steps toward developing these untapped resources. One day, we will have to rely on the fruits of our marine sciences for some of our basic needs. Fresh water, foods and minerals can all come from the sea. If we do not commit our intellectual resources now, it may be too late when we discover that we must use them.

With the massive population explosion will come the need for more and better food, water, and other resources that we know to be available from the sea. This need will not be temporary; instead, it will be continuing and growing for which solutions must be found. I feel certain that this legislation will lead to necessary solutions.

As an additional benefit, the program authorized by this bill may lead to new and exciting discoveries about the nature of the ocean and its products which will help to raise the standard and comfort of living throughout the world. We have begun the development of fish protein concentrate which is expected to improve nearly a billion diets throughout the world, but it is only the beginning. More important discoveries will undoubtedly come to us through further research.

I would like to compliment the committee for making a broad group of institutions eligible to be considered as sea-grant colleges. This is important to make sure that the best and most comprehensive research is conducted. A 2-year college with an excellent program in the marine sciences should not be considered ineligible for consideration under this act merely because it happens to be a 2-year college. With a broad definition of eligible institutions we can coordinate the best programs on this project and begin to expand our knowledge of this vital resource.

Early enactment of this legislation means early completion of the necessary studies. We made a beginning with the enactment of the Marine Resources and Engineering Development Act just 2 short months ago and we can continue on the same track with passage of the legislation before us today.

I am very pleased to see this new trend toward more emphasis on oceanographic studies. I have long been an advocate of this kind of legislation and I certainly hope we can look forward to a greater such emphasis in the near future. The benefits of these programs will pay great dividends to this Nation and to the other countries throughout the world.

Mr. Chairman, I ask that this legislation be passed, hopefully with the full support of every Member of this House.

Mr. MOSHER. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. CRAMER].

Mr. CRAMER. Mr. Chairman, I rise in support of the legislation and concur in many of the comments made in support of it. I congratulate the committee in voting this bill out. I had a couple of questions I wanted to ask relating to it. The interest that this Member from Florida has is partially generated by the fact—and I am sure my distinguished colleague, the gentleman from Florida [Mr. ROGERS], is familiar with the fact—that the board of regents has under consideration the establishment of a State institution to study oceanography. I am sure the gentleman is aware, though obviously I would not ask him to comment on a proposed location as opposed to another for obvious reasons, that one of the sites under consideration is the University of South Florida campus at its location in St. Petersburg, Fla., at the old maritime base. The prospects of developing in Florida an oceanographic study course and concentration through the State-university system is becoming a very great reality.

I would ask the gentleman, Is that not the gentleman's understanding that the State board of regents has taken the matter under consideration, and this legislation would be a tremendous help in that direction?

Mr. ROGERS of Florida. I commend the gentleman for his interest. I know he has been interested in this subject matter. But actually in Florida I think we are fortunate in that we have a number of universities where they have developed the program. The Florida Atlantic University has already developed now for the first time an undergraduate course in ocean engineering, the first in the free world, really, for undergraduate work. The University of Miami has its great Institute of Marine Science. There is the University of South Florida, Florida State University, and Nova University. I think we are fortunate in Florida to have our universities very much interested in this subject.

I agree that the board of regents is very much interested, and I hope will develop some adequate programs to support. I think this legislation will help all of our universities.

Mr. CRAMER. As I understand it, the bill as drafted provides specifically for contracts with and agreements with and grants to institutions of higher education, be they State supported or be they privately supported, and would specifically cover efforts, if they come into fruition, of the board of regents relating to State programs.

Mr. ROGERS of Florida. I presume as long as they do it through the regular institutions, the forums that we recognize in the bill, they certainly would be eligible.

Mr. CRAMER. I think this is a most worthwhile effort. We have not even scratched the surface as it relates to oceanography and as it relates to the treasures of the seas that someday will be available to humanity in the future.

An indication of the interest in oceanographic study being expressed by the State of Florida, particularly as it relates to the Bay Campus of the University of South Florida in St. Petersburg as a location for the State's center for advanced study in oceanography, are the following newspaper articles and editorial comments:

[From the St. Petersburg Independent, May 2, 1966]

OCEAN STUDY

The 10-year program for oceanography recommended to the Board of Regents by a committee representing all Florida state universities recognizes St. Petersburg's unique advantages as a center for study of the water around us. It calls for the development of the University of South Florida's Bay Campus at St. Petersburg's Bayboro Harbor as the major base for a large oceanographic research vessel, with attendant storage and laboratory facilities for use by all of the state universities.

This recommendation was expected, and is in keeping with the Regents' action last year in designating the Bay Campus as a Marine Science Center for the university system. Nevertheless, it is good to have the decision reaffirmed and incorporated in the state's long range planning. Together with the announcement last week that the University of South Florida will expand its general academic program here, it assures the Bay Campus of a firm and growing place in the state university system.

Intensive scientific study of the oceans is of fairly recent origin, but it is already being compared in importance to man's exploration of outer space. In the decades immediately ahead it should pay even greater dividends in practical benefits to mankind.

Under the 10-year plan proposed by the Florida Interinstitutional Committee on Oceanography, teaching and research programs may be established at all of the state universities, although the most advanced courses, those leading to Ph. D. degrees, will be reserved for Florida State University (FSU) in Tallahassee. In addition to the state effort, increasing federal support of oceanographic research is certain to be available to universities which develop active programs.

Florida, because of its geographical situation, will necessarily have a big role to play in the development of this new science. As to St. Petersburg, it is not unrealistic—nor too early—to suggest that we aspire to becoming the Cape Kennedy of America's exploration of "inner space."

[From the St. Petersburg Times, July 18, 1966]

OCEANOGRAPHY AT BAYBORO

While it's probably impossible for anyone around Tampa Bay to be entirely objective on the proposition, we believe that Chairman Chester H. Ferguson of the Board of Regents has powerful logic and good sense to back his proposal that the Bay Campus of the University of South Florida at Bayboro Harbor become the state's center for advanced study in oceanography.

One can sympathize with Florida State University's feeling of proprietorship in this subject. Since it is the only university now granting advanced degrees in oceanography,

FSU would like to be the main center of study in the field.

But, as is the case with so many advanced university courses in pre-chancellor days, it is mere happenstance that FSU has specialized in oceanography. From a geographic standpoint, Tallahassee is about the last place in Florida for such an institute to be located.

This is not merely because Tallahassee is inland; 20 miles isn't very far from the sea. But once you are in Apalachee Bay, south of Tallahassee, you are still 200 miles more distant than Tampa Bay from such important research areas as the Florida Keys, the Straits of Florida, the waters off Yucatan and throughout the Caribbean.

Beyond that, it is Mr. Ferguson's idea that there should be one highly advanced oceanographic facility for the use of all the state universities. Here Bayboro has a huge edge on Tallahassee, both as to air, highway or railroad. Nowhere, may it regretfully be said, is as hard to get to by any means as our state capital city.

Finally, there is the nature of the Tampa Bay metropolitan area to give it a further edge over Tallahassee.

Here is a very substantial complex of highly technological industry; four baccalaureate-degree colleges and two junior colleges—that of St. Petersburg Junior College being the state's oldest and having three campuses. In St. Petersburg and under construction in Tampa are two of Florida's newest and finest libraries. Here are good museums, theatres and fine concert halls.

All of these points are appropos. Ocean research is beginning to be recognized as one of the most challenging areas for exploitation by technological industry. Significantly, many of the companies most active in the exploration of space are also leaders in oceanographic research and development.

Experience has shown that corporations in these scientific and technical fields tend to cluster together, and that they demand wide educational and cultural facilities in the vicinity. Only thus can they attract the type of personnel they require.

One of the nation's outstanding oceanographic centers—as Florida's should be—located amid the other elements attractive to technological industry could be a magnet to bring economic advances of enormous value to the whole state. This is Mr. Ferguson's most unbeatable argument.

[From the St. Petersburg Independent, July 19, 1966]

WELCOME SUPPORT

With the backing of Chester Ferguson, chairman of the Board of Regents, St. Petersburg has a good chance to become the center of Florida's research in the developing science of oceanography.

The selection of a new "inner space" control center for Florida—which could well mean for the nation—has pretty well narrowed down to Florida State University (FSU) at Tallahassee, and the University of South Florida's Bay Campus at St. Petersburg's Bayboro Harbor.

No one in St. Petersburg should underestimate the importance of the decision to the future of this area. Exploration of the secrets of the oceans is certain to become as important, if not more so, in the next decade as exploration of space. In immediate and practical benefits to mankind it promises even more. What we are talking about is the establishment of a new center that could rival the space center at Cape Kennedy in size and scope.

FSU has tradition—a fairly young tradition, to be sure—going for it. It is the only state university now offering advanced studies leading to a doctorate in oceanography. St. Petersburg's Bay Campus, however, has geography and logic on its side in the ready access it offers to the tropical water of the Gulf and the South Atlantic, plus a deep water harbor.

Elsewhere on this page we reprint an editorial from the Tampa Tribune which well states the case for centralizing the state's still infant oceanography program at the Bay Campus. We welcome the Tribune's support, and hope it will signalize a joint effort by Hillsborough and Pinellas legislators to bring this about.

Choice of St. Petersburg to be the focal point of this program would be good for the whole Tampa Bay area. More to the point, we believe it would be the best decision for Florida, and for the country.

[From the Tampa Tribune, July 16, 1966]

AN IDEAL LAUNCHING POINT

Oceanography is an area of study with as much potential as the briny depths can provide. With scientists predicting more interest in "underwater space" than in outer space in the 1970s, it's no wonder Florida's major state universities are eager to dive in academically.

A proposal for a "coordinated" 10-year plan presented to the Board of Regents the other day would establish Florida State University at Tallahassee as the major oceanography center.

This proposal envisioned master's programs in oceanography at each of the major state universities "as the need requires," serving as feeders to doctorate studies at FSU, the University of Miami and other institutions.

But Regents Chairman Chester Ferguson argued against the dispersal of students specializing in this field once they've finished their basic undergraduate schooling. He maintained that one consolidated, system-wide center should be set up for master's and doctor's degrees.

And Ferguson had a logical site in mind: the Bay campus of the University of South Florida, in St. Petersburg. Located in Bayboro harbor, with a deep channel, the waterfront campus is ideally situated for marine expeditions into the Gulf.

The Regents chairman compared his image of an oceanography center to that of a college of law or a medical school. He said if each university sought to set up its own full-fledged program in oceanography, it would be "like having a teaching hospital at every university."

Vice Chairman Dr. Wayne McCall spoke out against a "shotgun" approach that would weaken the overall program throughout the university system. FSU's Academic Affairs Vice President, Karl Dittman, agreed that facilities should be concentrated "at one place," but it was obvious the place he had in mind was FSU.

Of all states, Florida is best endowed with the geographical proximity to deep water to pursue the quest for undersea treasures in all forms. Already, experiments along its shoreline in the Gulf Stream have produced unexpected discoveries—including an underwater phosphate vein and the bones of sea cows that lived up to 30 million years ago.

With more than 70 colleges now offering courses in oceanography (only two did prior to World War II), the surge to the sea as a new source of scientific knowledge and potential riches is gaining impetus.

A comprehensive, consolidated center for advanced oceanography studies at the St. Petersburg Bay campus of University of South Florida would benefit the whole state as an efficient, ready-made launching point for marine research.

We trust the entire Board of Regents will follow the consolidated approach suggested by Chairman Ferguson.

[From the St. Petersburg Times, July 15, 1966]

BAY CAMPUS PROPOSED AS OCEANOGRAPHY CENTER

(By Sam Mase, of the Times staff)

GAINESVILLE.—Chester H. Ferguson of Tampa, chairman of the Board of Regents, proposes that the University of South Florida's (USF) Bay Campus at Bayboro Harbor in St. Petersburg be developed as the state's higher education center for oceanography.

His plan, announced at the board's meeting here yesterday, was opposed by Florida State University (FSU) officials, who want the center at their institution.

The board considered a proposed 10-year plan for a coordinated program of oceanography. The plan would establish FSU as the state's major oceanography center. Bay Campus was designated in the proposal as the only deep-water port for the state university system.

"Existing facilities in Bayboro Harbor should be converted to provide maintenance shop facilities, warehouse space, laboratories for reduction of data and processing of samples and collections immediately on return," the proposed plan states.

FSU is the only state university which now grants graduate degrees in oceanography. The proposed plan states that other universities should be allowed to develop master's programs in oceanography "as the need requires."

The report further recommended that master's programs in oceanography at the other institutions serve as "feeders to the Ph.D. programs in oceanography at FSU, the University of Miami and other institutions throughout the nation."

Ferguson does not see it that way.

"The facility at St. Petersburg (Bay Campus) should be the chief base for advanced oceanography study in the state," he declared.

Ferguson believes Florida should have "strong oceanographic" courses at the various state universities, but insists there should be one consolidated center, complete with dormitories, where students from all universities can pursue advanced oceanography studies.

Ferguson takes the position that Florida cannot afford more than one major oceanography program because of cost of technical instrumentation and scarcity of qualified people to teach advanced ocean science courses.

Dr. Allan Tucker, who is in charge of academic affairs for the Regents staff, said there are only 438 (classic) oceanographers in the country.

Ferguson likened the proposed oceanography program to a college of law, engineering or medicine, which requires students to complete undergraduate studies before entering the professional schools.

He said students desiring to become specialists in oceanography should take the proper basic courses in undergraduate programs at the universities of their choice, then move to a central facility for graduate study.

Instead of having this graduate center at any university, Ferguson would like to see it established as a system-wide facility, which also would accommodate students from private institutions of higher learning.

For each university to attempt to have a full-fledged oceanography program would be "like having a teaching hospital at every university," according to Ferguson.

He said the state should have one oceanographic "hospital" equipped with the finest research equipment "with which to do our clinical work."

Ferguson favors the Bay Campus site for such a center because it has a deep-water port and is "in a centrally located area," which he said would be easily accessible to students, faculty members and research people throughout the state.

Dr. J. Broward Culpepper, chancellor of the state university system, told Ferguson it would be necessary to have laboratories for research in different areas of the state.

Ferguson agreed, but said those should be "supplementary centers" which would feed information to a central center such as he proposes.

The Board deferred action on the long-range oceanography program until its September meeting.

Mr. FOGARTY. Mr. Chairman, on this occasion of House passage of the sea-grant college bill, I wish to salute my colleague in the other body, Senator CLAIBORNE PELL, who introduced the first bill for a sea-grant college program in August of 1965.

Senator PELL noted that our own State of Rhode Island has a particular stake in developing the Nation's marine resources by virtue of the fact that 10 percent of Rhode Island's total area is covered by fresh or salt water.

The purpose of Senator PELL's bill and of Congressman ROGER's bill before us today is to stimulate a whole new era in special education in ocean science and technology. The field of oceanology will breed new industries, the scope of which we can only guess at today. New and better methods in sea farming will aid us considerably in meeting the protein shortage which threatens famine to our world. National security is also a vital element.

I am convinced the sea-grant program is a practical step toward speeding the exploitation of our country's marine resources. I am hopeful that the fishermen, scientists, and citizenry of the State and Nation may, through the provisions of the sea-grant program, become increasingly involved in and benefit from the enormous underwater riches that may lie just beneath the waves.

The program is of very special interest to me because one of its beneficiaries may be the University of Rhode Island, which is located in my district, and which already is an outstanding pioneer in the field of oceanology.

In closing, I would like to laud the energy and imagination of Senator PELL which, coupled with the vigorous and skilled legislative efforts of Congressman ROGERS, has brought this program from an academic concept to the very brink of being a law of the land. I share the optimism of Senator PELL and Congressman ROGERS that the differences between the Pell and Rogers bills may be speedily ironed out and that the President may shortly sign this vital program into law.

Mr. BATES. Mr. Chairman, when we recently enacted the Marine Resources and Engineering Development Act of 1966, the Congress took a major step in advancing the greatly needed long-range American program in marine science. Today we are considering an amendment to that act which will implement a vital segment of that program.

As soon as I learned of the proposal for the establishment and operation of sea-grant colleges by initiating and supporting programs of education and research in the various fields relating to the development of marine resources, I evidenced my support of this approach by introducing a bill to provide the necessary authorization. I feel that the Committee on Merchant Marine and Fisheries has ably adapted and perfected the language of this legislation in H.R. 16559, the National Sea Grant College and Program Act of 1966, as an amendment to the Marine Resources and Engineering Development Act.

I am happy, therefore, to record my support of the bill before us to establish a sea-grant college program similar to the land-grant college program which has been so successful for more than a century in helping to develop American agriculture. This bill provides an important means of promoting development of the wealth of marine resources which can bring much benefit to mankind.

Augmenting the marine science programs already underway in many of our public and private institutions of higher learning, this bill, as stated in the committee report, establishes "a program of sea-grant colleges and education, training, and research in the fields of marine science, engineering, and related disciplines." It supports what the Department of the Interior believes is greatly needed, that:

> More and more emphasis must be placed by the Federal Government, the States, educational institutions, industry, and other public and private organizations and individuals on improving the Nation's capability to obtain and use wisely our marine resources.

The Interior report also states:

> The concept of developing skilled personnel, such as engineers and technicians, to exploit our marine resources is sound.

When we consider that Russia, our chief competitor in both the exploration of outer space and in the harvesting of the resources of our ocean depths, reportedly has twice as many people as we do engaged in the marine sciences, I think the potential of the sea-grant college program becomes particularly significant. It means that we will be filling one of the most pressing needs of the American oceanographic program. While our scientists tell us that we are still ahead of the Russians in basic oceanographic research, we are behind in the important aspect of applied research.

The sea-grant college program can give us the needed ocean technicians and other scientific personnel to make this type of research possible. By providing added trained manpower, I feel it can help programs such as research in fishing techniques, marine conservation, pollution control, and desalination. In conjunction with the basic objectives of the Marine Resources and Engineering Development Act of 1966—Public Law 89–454—it can open the way for dissemination of useful information to those people who are working or interested in the marine sciences—fishermen as well as scientists.

The President's Science Advisory Committee's recent report on "Effective Use of the Sea" lends urgency to what I believe is an undisputed fact, that it is in our national interest for us to do everything possible to strengthen and expand our technologies and industries for gainful use of the almost boundless marine resources. Mr. Chairman, the National Sea-Grant College and Program Act of 1966 provides one of the tools toward that end for our scientists, biologists, underwater experts and engineers, and others. I hope that this legislation will be enacted.

Mr. FASCELL. Mr. Chairman, I am pleased to see the amount of interest which has already been shown in the idea behind the sea-grant college bill, as I have followed the debate and development of all legislation pertaining to oceanography with more than just a passing interest.

Early last year I cosponsored legislation which led to the enactment in June 1966 of a bill to establish a National Oceanographic Council—Public Law 89–454. This new Council will be responsible for establishing clearly defined objectives in the field of oceanography, grouping these objectives in a coherent program directed toward the practical utilization of the ocean's resources, and providing sustained high-level leadership, guidance, and coordination of this multiagency program. Establishment of the Council represents the first major step in the development of a strong national oceanographic program—a program which I consider to be essential, being closely related as it is to our Nation's security, welfare, and to the economic well-being of our own people and those throughout the world.

The sea-grant college bill before us today, a bill which I cosponsored in this session, will provide the trained manpower needed to carry out this oceanography program. It will allow us to begin the systematic program of research necessary to tap the endless resources of the sea, and to meet the challenge of feeding, clothing, and housing 8 billion people by the end of this century. The bill provides for support of educational and research programs in the marine sciences; for expansion and improvement of the means of communicating oceanography information; for the use of the submerged lands of the Outer Continental Shelf; and for the encouragement and development of regional "centers of excellence" in the various fields of marine science.

Our Nation would reap rewards of tremendous value by beginning now to actively pursue an aggressive program in oceanography. The time is ripe for engaging in full exploitation of the vast resources of the sea—a move which should have been initiated long ago. We are all aware of the phenomenal success of the land-grant colleges and associated experiment stations in providing for the agricultural arts and sciences a source

of continuing support in education, research, and diffusion of knowledge. The sea-grant college bill will do the same thing for the maritime arts and sciences. Its benefits will be realized by the entire Nation and, indeed, by the world, as it is becoming more obvious to all of us each day that we are dependent on the use and exploitation of the oceans for our very survival.

The sea-grant college bill would assure a continuing source of support for education, research, and dissemination of information in the ocean sciences and technology. It will promote the vitality and growth of our ocean efforts and the strength of our Nation at sea. The continuity of support which it would provide affords a better opportunity to look ahead, to plan effectively and to promote a truly national oceanographic program. We will be more capable of coping with the problems confronting industry, especially fishing and shipping.

The massive population explosion has clearly pointed to the need for additional sources of food, water, and other resources that we know to be available from the sea. This bill would provide the tools to make the ocean our ally in the world's common struggle against poverty, disease, and starvation.

I would like to add, Mr. Chairman, that I am joined in my commitment to the purposes of this bill by the administrators and faculty of an outstanding center of oceanographic research which is located in my district. The Institute of Marine Sciences of the University of Miami embraces both the marine laboratory which conducts research in marine science, and the Department of Marine Science which provides academic instruction. It is this combination of research and education which the sea-grant college bill wants to promote and sustain. I have talked with the institute's director and staff on many of these matters and have heard about the exciting opportunities and substantial benefits that lie before us. I am confident of the leading role and valuable contributions which Miami would provide in the field of oceanography, and of the additional invaluable contributions of other similarly outstanding institutions throughout the Nation.

Mr. Chairman, I strongly urge all my colleagues to support this vital legislation.

Mr. REINECKE. Mr. Chairman, as a member of the Subcommittee on Oceanography of the House Merchant Marine and Fisheries Committee I am pleased to support this bill to create sea-grant colleges. I am very much aware of the importance of the sea around us, and of the need for creative thinking about ways to more fully use this great natural resource for the benefit of this Nation, and of all mankind.

As an engineer myself, I am always most concerned with the problems of practical applications of new knowledge and new discoveries. The land-grant college concept, first sponsored in 1862 by Republican Senator Justin Morrill, of Vermont, was a creative way to bring to a growing nation the facilities for practical education. It was a means of bringing knowledge to the men who were building our country. And this concept placed the power of the people through their National Government squarely behind the idea of promoting practical education, as well as productive research, at the local and community level.

The U.S. Government operates oceanographic programs from 18 or 20 Federal agencies. And many universities, laboratories, and industries supplement these with research efforts of their own. But, it seems to me, that there is still a need for the application of our new knowledge of the sea. There still is a need for exploring the commercial, engineering, medical, legal, mineral, biological, and food producing aspects of the ocean. There is a need for further study in the matters of harbor engineering and construction. There is a need for us to realize that the sea around us, which constitutes almost 71 percent of our world's surface, may hold as much potential, and as many rich surprises, as does outer space.

I heartily endorse the idea of the sea-grant college. The emphasis of this bill and of this idea is to work with existing educational institutions to make full use of the research facilities already involved in the exploration of the sea. This also brings to bear on ocean problems the combined talents and experience of the scholars from many disciplines within a university. It also uses existing organizations of proven capability.

In my own southern California great steps have been taken to integrate the efforts of local government, industry, and the colleges and universities into a common thrust into the mysteries of the ocean depths. The port of Long Beach, the University of Southern California, the California State college system, the famed Scripps Institute of Oceanography, the Los Angeles Harbor Commission, and my own alma mater, the California Institute of Techology, are all involved in various efforts to further our understanding of the ocean and to exploit its riches for the welfare of all human beings.

With these resources at hand, I can certainly see why a sea-grant college should be located in the Greater Los Angeles area.

I am glad to see that the intent of this bill is to solve a real problem without building a large Federal bureaucracy. This bill will put ocean development in the States, where the work is actually going on, and where it belongs. This sea-grant concept will involve the American people directly instead of leaving ocean development to a group of Federal researchers removed from the laboratories of practical application.

The urgency of this matter is best illustrated when we compare our progress in ocean development with that of the Soviet Union in recent years. While the United States has maintained a lead in basic scientific research, it has been generally realized that the Soviets have emphasized the applications of research, rather than basic investigations. In certain phases of applied research the United States maintains a lead. The field of oceanographic instruments is one in which this Nation is ahead. Also, the use of computers applied in assemblage of marine scientific data is an American achievement, though now under study in the Soviet Union today.

Russia claims some 1,500 oceanographers backed up by 7,500 men and women working full time in the field. The status of sea scientists is being upgraded, and the field is being made more appealing to young people. It should be mentioned that the Soviet Institute of Oceanography has been expanded five times from its original size in the past 15 years.

By contrast, it has been estimated that the United States has aproximately 700 oceanographers with some 2,000 to 2,500 full-time technicians supporting them. We are increasing our ranks by approximately 10 percent a year. The Soviets may actually be increasing by 15 percent per year.

The United States can also claim a lead in deep-sea mining, drilling, and deep sea research vehicles. However, the Soviets are moving up fast in developing vehicles of their own.

The Russians have declared a technological and commercial war on us—on and under the high seas. In shipping and in fishing, their intent is quite clear. They wish to become masters of the ocean. They have been successful in fisheries because they have applied to the fishing operations the tools learned in marine research. With this success, they are encouraging more oceanographic efforts.

In the United States today there is an emerging awareness on the part of the public, the academic world, the Congress, and the industrial community that the oceans represent a vast untapped resource. This emerging awareness is created by an enthusiastic community of scientists and ocean technologists eager to move into a concentrated campaign to promote full utilization of the sea around us.

This Nation stands at the threshold of man's final conquest of his environment. Man in the ocean, or man on the high seas, is as important to our Nation's future as man in space, or man on the moon. The sea-grant college is a giant step toward seeing that the first place in ocean technology stays in American hands.

Mr. WOLFF. Mr. Chairman, I strongly support the establishment of a program of sea-grant colleges devoted to increasing our Nation's development of the world's maritime resources through education, research, and public service. This legislation amends that which created the Marine Resources and Engineering Development Act of 1966 which passed earlier this year.

The importance of research in the field of oceanography cannot be over emphasized, and the United States must not take second place in this effort. In recognition of the importance of oceanography to the future of our people I established a task force to look into possibili-

ties for utilizing existing industrial skills and resources for oceanographic research in the Long Island area. A seminar was held in the 3d Congressional District on August 24 to further explore these possibilities, and included Federal officials from the Office of Naval Research, the Office of Science and Technology, and the Naval Oceanographic Center. A highlight of the delegation's visit to Long Island was a helicopter tour of the area and a stop at Sands Point, former site of the Naval Training Devices Center. There, representatives of industry, education, labor, and political groups were presented with a unified program for area oceanographic research and development.

The sea holds tremendous riches for those with the energy and imagination to develop it. All mankind could benefit from a widened knowledge of the sea and the utilization of the resources it contains. I am glad to see that the Congress and the executive branch have taken active leadership in this vital field.

Mr. KEITH. Mr. Chairman, the sea-grant college bill now before the House squarely meets some of the major weaknesses in our national oceanographic program. I strongly urge that my colleagues approve this bill, for it can and will help put new life into our oceanographic efforts, which have too long been neglected.

Only this year I toured the Soviet Union and Poland with the purpose of evaluating their progress in oceanography and marine science in general for the Merchant Marine and Fisheries Committee. I feel compelled to warn my colleagues once again that the Soviets clearly are putting high priority on the ocean sciences.

The Soviets have, for instance, two or perhaps three times as many people working in these areas as we do. Moreover, each of their ocean scientists has more technicians to back him up than do ours. We have about 1,000 professional-level oceanographers and perhaps 2,000 ocean technicians, while the comparable Soviet figures are 1,500 and about 7,000.

One result of this concentration of manpower has been that the Soviets are leading us in the applied areas of oceanography. They are very effective at translating basic research into technology. Although most experts agree that we are still ahead in basic research, we learned in Moscow that the Soviets are putting new efforts into this area. They are upgrading the Institute of Oceanology, their basic research institute, so we most probably will be seeing new competition in this area.

Moreover, in the Soviet Union, advanced technology is applied to fisheries far more than it is in this country. The Soviets fish on large factory ships spread over much of the world's oceans. Some of their techniques that we learned about included explosions to bring the fish briefly to the surface and fish elevators to help spawning fish to go upstream over dams. They appear to have done a great deal with fish farming and other modern techniques. All these are areas to which I do not believe we have been giving adequate attention.

The sea-grant college could meet much of this problem because its emphasis is on practical education and applied research. One of our major problems in fishing has been that the ordinary fishermen are not familiar with the new techniques available. This is perhaps the major reason that we have fallen to fifth place among fishing nations of the world and the Soviet Union's catch has increased 250 percent in the past 10 years while ours has declined.

In fishing, oceanography, and merchant marine as well, the Soviet Union presents a great challenge to this country. We must begin to answer this challenge before it is too late. In my view, the sea-grant college represents one such answer—a major one—and I want to again urge the adoption of this bill.

Mr. FUQUA. Mr. Chairman, I rise in support of H.R. 16559 to provide for the establishment of a program of sea-grant colleges. I want to commend my colleague, the gentleman from Florida [Mr. ROGERS], for his leadership on behalf of this fine piece of legislation.

This Nation has an abundance of wealth in marine life, and the enactment of this bill will provide a means of achieving the utmost utilization in marine science, engineering and other related fields.

I am particularly pleased that this legislation will be administered by the National Science Foundation, which has done an outstanding job in other related fields of scientific endeavor.

We in Florida are particularly proud of the accomplishments that our universities are making in the field of marine development and oceanography.

Mr. Chairman, this will be a means whereby our Florida colleges and universities can utilize more effectively the talent and facilities currently available in these institutions.

I urge the House to favorably act on this bill.

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

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

The Clerk read as follows:

H.R. 16559

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Marine Resources and Engineering Development Act of 1966 is amended by adding at the end thereof the following new title:

"TITLE II—SEA GRANT COLLEGES AND PROGRAMS

"Short title

"SEC. 201. This title may be cited as the 'National Sea Grant College and Program Act of 1966'.

"Declaration of purpose

"SEC. 202. The Congress hereby finds and declares—

"(a) that marine resources, including animal and vegetable life and mineral wealth, constitute a far-reaching and largely untapped asset of immense potential significance to the United States; and

"(b) that it is in the national interest of the United States to develop the skilled manpower, including scientists, engineers, and technicians, and the facilities and equipment necessary for the exploitation of these resources; and

"(c) that aquaculture, as with agriculture on land, and the gainful use of marine resources can substantially benefit the United States, and ultimately the people of the world, by providing greater economic opportunities, including expanded employment and commerce; the enjoyment and use of our marine resources; new sources of food; and new means for the development of marine resources; and

"(d) that Federal support toward the establishment, development, and operation of programs by sea grant colleges and Federal support of other sea grant programs designed to achieve the gainful use of marine resources, offer the best means of promoting programs toward the goals set forth in clauses (a), (b), and (c), and should be undertaken by the Federal Government; and

"(e) that in view of the importance of achieving the earliest possible institution of significant national activities related to the development of marine resources, it is the purpose of this Act to provide for the establishment of a program of sea grant colleges and education, training, and research in the fields of marine science, engineering, and related disciplines.

"Grants and contracts for sea grant colleges and programs

"SEC. 203. (a) The provisions of this title shall be administered by the National Science Foundation (hereafter in this title referred to as the 'Foundation').

"(b)(1) For the purpose of carrying out this title, there is authorized to be appropriated to the Foundation for the fiscal year ending June 30, 1967, not to exceed the sum of $5,000,000, and for the fiscal year ending June 30, 1968, not to exceed the sum of $10,000,000.

"(2) Amounts appropriated under this title are authorized to remain available until expended.

"Marine resources

"SEC. 204. (a) In carrying out the provisions of this title the Foundation shall (1) consult with those experts engaged in pursuits in the various fields related to the development of marine resources and with all departments and agencies of the Federal Government interested in, or affected by, activities in any such fields, and (2) seek advice and counsel from the National Council on Marine Resources and Engineering Development as provided by section 205 of this title.

"(b) The Foundation shall exercise its authority under this title by—

"(1) initiating and supporting programs at sea grant colleges and other suitable institutes and laboratories for the education of participants in the various fields relating to the development of marine resources;

"(2) initiating and supporting necessary research programs in the various fields relating to the development of marine resources, with preference given to research aimed at practices, techniques, and design of equipment applicable to the development of marine resources; and

"(3) encouraging and developing programs consisting of instruction, practical demonstrations, publications, and otherwise, by sea grant colleges and other suitable institutes and laboratories through marine advisory programs with the object of imparting useful information to persons currently employed or interested in the various fields related to the development of marine resources, the scientific community, and the general public.

"(c) Programs to carry out the purposes of this title shall be accomplished through contracts with, or grants to, suitable public or private institutions of higher education, institutes, and laboratories which are engaged in, or concerned with, activities in the

various fields related to the development of marine resources, for the establishment and operation by them of such programs.

"(d)(1) The total amount of payments in any fiscal year under any grant to or contract with any participant in any program to be carried out by such participant under this title shall not exceed 66⅔ per centum of the total cost of such program. For purposes of computing the amount of the total cost of any such program furnished by any participant in any fiscal year, the Foundation shall include in such computation an amount equal to the reasonable value of any buildings, facilities, equipment, supplies, or services provided by such participant with respect to such program (but not the cost or value of land or of Federal contributions).

"(2) No portion of any payment by the Foundation to any participant in any program to be carried out under this title shall be applied to the purchase or rental of any land or the rental, purchase, construction, preservation, or repair of any building, dock, or vessel.

"(3) The total amount of payments in any fiscal year by the Foundation to participants within any State shall not exceed 20 per centum of the total amount appropriated to the Foundation for the purposes of this title for such fiscal year.

"(e) In allocating funds appropriated in any fiscal year for the purposes of this title the Foundation shall endeavor to achieve maximum participation by sea grant colleges and other suitable institutes and laboratories throughout the United States, consistent with the purposes of this title.

"(f) In carrying out its functions under this title, the Foundation shall attempt to support programs in such a manner as to supplement and not duplicate or overlap any existing and related Government activities.

"(g) Except as otherwise provided in this Act, the Foundation shall, in carrying out its functions under this title, have the same powers and authority it has under the National Science Foundation Act of 1950 to carry out its functions under that Act.

"(h) The head of each department, agency, or instrumentality of the Federal Government is authorized, upon request of the Foundation, to make available to the Foundation, from time to time, on a reimbursable basis, such personnel, services, and facilities as may be necessary to assist the Foundation in carrying out its functions under this title.

"(i) For the purposes of this title—

"(1) the term 'development of marine resources' means scientific endeavors relating to the marine environment, including, but not limited to, the fields oriented toward the development, conservation, or economic utilization of the physical, chemical, geological, and biological resources of the marine environment; the fields of marine commerce and marine engineering; the fields relating to exploration or research in, the recovery of natural resources from, and the transmission of energy in, the marine environment; the fields of oceanography and oceanology; and the fields with respect to the study of the economic, legal, medical, or sociological problems arising out of the management, use, development, recovery, and control of the natural resources of the marine environment;

"(2) the term 'marine environment' means the oceans; the Continental Shelf of the United States; the Great Lakes; the seabed and subsoil of the submarine areas adjacent to the coasts of the United States to the depth of two hundred meters, or beyond that limit, to where the depths of the superjacent waters admit of the exploitation of the natural resources of the area; the seabed and subsoil of similar submarine areas adjacent to the coasts of islands which comprise United States territory; and the natural resources thereof;

"(3) the term 'sea grant college' means any suitable public or private institution of higher education supported pursuant to the purposes of this title which has major programs devoted to increasing our Nation's utilization of the world's marine resources; and

"(4) the term 'sea grant program' means (A) any activities of education or research related to the development of marine resources supported by the Foundation by contracts with or grants to institutions of higher education either initiating, or developing existing, programs in fields related to the purposes of this title, (B) any activities of education or research related to the development of marine resources supported by the Foundation by contracts with or grants to suitable institutes and laboratories, and (C) any programs of advisory services oriented toward imparting information in fields related to the development of marine resources supported by the Foundation by contracts with or grants to suitable institutes and laboratories.

"Advisory functions

"SEC. 205. The National Council on Marine Resources and Engineering Development established by section 3 of title I of this Act shall, as the President may request—

"(1) advise the Foundation with respect to the policies, procedures, and operations of the Foundation in carrying out its functions under this title;

"(2) provide policy guidance to the Foundation with respect to contracts or grants in support of programs conducted pursuant to this title, and make such recommendations thereon to the Foundation as may be appropriate."

SEC. 2. (a) The Marine Resources and Engineering Development Act of 1966 is amended by striking out the first section and inserting in lieu thereof the following:

"TITLE I—MARINE RESOURCES AND ENGINEERING DEVELOPMENT

"Short title

"SECTION 1. This title may be cited as the 'Marine Resources and Engineering Development Act of 1966'."

(b) Such Act is further amended by striking out "this Act" the first place it appears in section 4(a), and also each place it appears in sections 5(a), 8, and 9, and inserting in lieu thereof in each place "this title".

Mr. LENNON (interrupting the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open for amendment at any point.

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

There was no objection.

Mr. LENNON. Mr. Chairman, I move to strike the requisite number of words. The gentleman from Alabama wanted to be recognized at this point to offer an amendment. Is that true?

Mr. EDWARDS of Alabama. Yes, I have one amendment I wish to offer.

AMENDMENT OFFERED BY MR. EDWARDS OF ALABAMA

Mr. EDWARDS of Alabama. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDWARDS of Alabama: On page 6, line 14, strike "20 per centum" and insert "15 per centum."

Mr. EDWARDS of Alabama. Mr. Chairman, I support this legislation. I would say to the Committee that this amendment is very simple. The purpose of it is to carry out better, I believe, the intention of the committee which is expressed in the report, where it says this legislation should be administered broadly and without specific geographical limitations. It follows the land grant college arrangement pretty closely. It is not designed to build up any great oceanographic complexes, but it is designed to spread throughout the country the training of those individuals who want to go into this field. I believe, by reducing the 20-percent to 15 percent, we will better assure a greater participation by more institutions.

If I may say this, I do not assume that the Federal Government is going to try to locate big complexes, but I believe we can help them by this amendment.

Mr. LENNON. Mr. Chairman, will the gentleman yield at that point?

Mr. EDWARDS of Alabama. I am happy to yield to the gentleman from North Carolina.

Mr. LENNON. Mr. Chairman, I believe the language used with respect to section 204(b)(2) makes it crystal clear that we are not setting out on the objective of building with this program. This is an educational process.

I want to say to the distinguished member of the committee who has been so active and helpful to all of us, after conferring on this side we agree with the position that the gentleman is taking. We are happy to accept his amendment.

Mr. EDWARDS of Alabama. I thank the gentleman very much.

Mr. Chairman, I urge adoption of this amendment.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, is my understanding correct that the intent of the gentleman's amendment is simply to minimize any accumulation of funding in given areas so as to expand the study of oceanography over a broader area?

Mr. EDWARDS of Alabama. That is true. In theory, under the way the bill is written, five participants could acquire all of the money in their programs. By reducing the 20 percent to 15 percent we would assure a little broader aspect. I am not suggesting that the program is going to be run in such a way that only five participants would be involved, or five States, but this assures a little broader aspect.

Mr. DON H. CLAUSEN. Mr. Chairman, I wonder if the gentleman will yield further, so I could direct a question to the author of the bill or the chairman of the committee?

Mr. EDWARDS of Alabama. I yield to the gentleman.

Mr. DON H. CLAUSEN. Is it possible to insure that this program will be conducted with the broadest possible distribution throughout the country so we can take advantage of the various species and various oceans bordering the United States?

Mr. LENNON. I will say to the gentleman that perhaps we have not had the time to make the legislative history

we should have on that subject matter, but it was the thinking of the committee in both the hearings and in writing the report, and counsel has called to my attention the language found in the last paragraph on page 2 of the report, from which I quote:

> It is the intent of this legislation that it be administered broadly and without specific geographic limitations. It is recognized that institutional capability is not confined within specific geographical limitations.

I am glad the gentleman raised that point so we can include in the legislative history in the CONGRESSIONAL RECORD the language found in the report. Certainly it was our feeling that the whole country, wherever it could, should participate in this program. Just as the gentleman from Virginia earlier said in his remarks, it is so essential to our ultimate welfare.

Mr. DON H. CLAUSEN. This would also include maximum participation on the part of institutions in this field?

Mr. LENNON. Exactly. That is the reason we use throughout "institutions" because across the country so many of these institutions have been established which are comparable to community colleges, yet they are concerned in many instances with marine sciences.

We wanted them to participate.

Mr. DON H. CLAUSEN. This would not be confined purely to universities. It would include State colleges or junior colleges which might be interested in the field?

Mr. LENNON. That is exactly why we used the word "institutes."

Mr. DON H. CLAUSEN. I thank the gentleman for providing legislative history. I believe the gentleman's amendment seems to coincide with that broad purpose, and I endorse the amendment.

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

Mr. Chairman, along with my friend, the gentleman from Missouri [Mr. HALL], I am not enthusiastic about some of the operations of the National Science Foundation.

I hope that the Committee, after passage of this bill, will constitute itself as a good oversight committee with respect to operations in connection with this subject matter.

I hope, too, that the Committee will bear in mind the demands upon this Government, especially the fiscal demands and not attempt to blossom out in the immediate future with a much more expanded program. Programs of this kind have a habit of expanding all too rapidly.

I trust that the Committee—those Members who are here today and who will be here in the next session—will constitute itself a real oversight committee in both respects.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. EDWARDS].

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. BOGGS) having resumed the chair, Mr. DADDARIO, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 16559), to amend the Marine Resources and Engineering Development Act of 1966 to authorize the establishment and operation of sea grant colleges and programs by initiating and supporting programs of education and research in the various fields relating to the development of marine resources, and for other purposes, pursuant to House Resolution 982, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

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

The question is on the amendment.

The amendment was agreed to.

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

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

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

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LENNON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject matter of the bill just passed.

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

There was no objection.

THE DIFFICULT AND DEDICATED WORK OF THE HONORABLE ARTHUR SYLVESTER

Mr. JOELSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. JOELSON. Mr. Speaker, for several years now, there has been a running discourse on whether or not the American public is being kept adequately informed about the military posture of the United States. More specifically, and quite recently, that question has been posed in connection with reports of activities relating to fighting in Vietnam.

I am concerned about this controversy. For if recent public opinion polls are to be believed, there are far too many Americans that have been sold on the notion that they are not getting a complete and accurate accounting.

As is inevitably the case, personalities become associated with controversy, whether or not the issues be real or coined. In this particular instance the personality is that of the Honorable Arthur Sylvester, Assistant Secretary of Defense for Public Affairs.

Mr. Sylvester has been criticized by both sides; those who say not enough is being disclosed, and others who say too much has been revealed. Now, let us consider the basic question: Is the American public being kept adequately informed about military affairs, and specifically, our activities in Vietnam?

At stake is not the matter of the personal discomfiture of one citizen discussed in the news, but perhaps the lives of hundreds of thousands of men. The course we have, as a nation, charted in the troubled waters of international relations imposes certain restraints upon us at home. I believe that thinking citizens would say: "Safeguard our sons and husbands, our Nation. Do not tell the enemy anything that will be of aid to him."

What we want Mr. Sylvester to do may be simply put: determine what is so harmful that it cannot be said at all; what may be harmful and may only be said in part; that which must be said, whether it be harmful or not; and what is not harmful at all and may be said in full and complete detail.

This is the delicate job Mr. Sylvester is asked to perform. He must make these daily decisions, and he cannot hide behind the investiture of wartime censorship, or take the opposite extreme of full disclosure.

The daily conduct of business requires that Mr. Sylvester, and members of his staff, be in contact with the press, with members of the defense industry, with many other groups and individuals, each seeking to attain his own objectives. In dealing with them, Mr. Sylvester and the members of his staff must consider those honest objectives in the light of the interests of the individual, or company, or news medium, and the public.

All too frequently his decisions are challenged, questioned, and even berated publicly. So one must ask the question now, as I raised it earlier, what caliber of man is this? What qualified him to face—and make—such decisions? Why has he remained so long in a position that has subjected him to invective from all sides?

Mr. Sylvester, I find, spent a most productive lifetime as a newsman before his appointment in 1961.

He served for a number of years as city editor of the Newark News, in which capacity he developed a reputation for handling his staff of experienced reporters with a firm hand, while providing at the same time sure guidance for the fledglings.

As a reporter in this perennial arena of combat—Washington, D.C.—he earned a reputation for being a "tough one," a man knowledgeable of his subject, who went after a story with dogged, and usually successful, determination.

In this crucible was forged a man dedicated to the principle of digging for every detail; but one who also learned the necessity of exercising editorial responsibility—a factor which tempered his dispatches on critical subjects.

He earned an enviable reputation among those most qualified to judge him, his contemporaries.

And it was this very reputation, coupled with his wide and practical experience, that led to his appointment.

He went about his job, from the outset, with the view of getting the defense news "moving;" but also accepted without reservation the responsibility placed upon him of exercising those daily judgments mentioned earlier.

Mr. Sylvester has appeared before the Congress; before industrial and professional groups; and in these cases his demeanor and candor have marked him as one dedicated—as too few are these days—to his country and to the principle of doing his best under all circumstances.

Newsmen assigned to Vietnam find it easy to get around. There have been many television and newspaper accounts filed from there that have not shown the United States in the most favorable possible light. This should be evidence enough that Mr. Sylvester's job is not to cover things up, but rather to see to it that as much news as possible gets to the American public.

Those who know him intimately have both admiration and respect for the job he is doing. As I understand it, there are few who could equal his performance.

Finally, to other would-be critics of Mr. Sylvester, I urge you to desist from railing at this most competent and dedicated man.

I am not asking the press to abandon its right to query.

I am not asking sanctuary for a public official.

I am not asking an abandonment of our right to know.

I am asking that we all consider the need to protect security in the best interests of the Nation.

THE NEED FOR ENACTING LEGISLATION TO REDUCE INFLATIONARY PRESSURES ON THE ECONOMY

Mr. JACOBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. JACOBS. Mr. Speaker, we are faced today with the need for enacting legislation to reduce inflationary pressures now being exerted on our economy. To that end, I heartily endorse the proposals President Johnson has laid before us.

These are proposals aimed at maintaining the stable and unprecedented prosperity enjoyed by American citizens for the past 5½ years.

These proposals were not hastily made. As the President himself said:

> I have been watching the economy carefully. I have consulted frequently and at great length with the wisest and most experienced advisers available to the President—with the responsible officials in my Administration, with Members of the Congress, with leaders of business and labor and with economists from our universities.

Among the proposals before us is the request to suspend temporarily the 7-percent investment tax credit. In recent years, I have viewed with great satisfaction the sharp rise of business investment in plant and equipment. This rise has created more jobs for our labor force. It has been a major force in the swift rise of our productivity, which in turn has been a major factor in keeping our unit costs of production stable. Now, however, our capital markets are jammed with requests for funds to finance investment. As a result, interest rates go higher and higher. Meanwhile, our defense of freedom in Vietnam is throwing burdens upon the economy that cannot and should not be evaded. I say to you, then, that the time has come to moderate demand where it can be moderated.

Our high employment, high profit economy will still provide abundant incentive for continued economic growth in our capacity sufficient to produce the goods we need, for modernizing facilities, and hence for maintaining a strong international competitive position.

We all can see that the investment tax credit has more than demonstrated its ability to keep our productive wheels rolling. I cannot emphasize too strongly that we will need the stimulus of the investment credit in future years and that we are asked only to suspend it for a cooling off period.

Just as suspension of the investment credit is needed to cool off our economy, there is also need of slowing down the rate at which businesses can recoup their capital through accelerated depreciation of their outlays on business structures. Commercial and industrial construction has grown by no less than the phenomenal amount of 27 percent more in the past 12 months than in the year before. I recommend, therefore, that to assure that safe speed limits are applied to all forms of investment, we act promptly to suspend the incentive of accelerated depreciation.

The President is not asking the Congress to shoulder the burden of economic restraint alone. He has urged the Federal Reserve Board, and the Nation's banks, to act to lower interest rates and ease the inequitable burden of tight money. He has asked the business community to do its part by basing demands for credit on genuine needs, not on speculation of future scarcity or higher cost. Labor, too, has been asked to join the team by avoiding wage demands that would raise the average level of costs and prices in the economy. Now, I ask you to join me in giving the President wholehearted support of the legislative proposals before us today.

INFLATION, TAXES, AND THE ECONOMY

Mr. COHELAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. COHELAN. Mr. Speaker, the prosperity which this country knows today is unparalleled in our history. Production, jobs, and income are at record levels.

During the last 5½ years, profits have doubled, total output has grown by one-third, 8 million new jobs have been created, unemployment has dropped from 7 percent to 3.9 percent and personal income has increased by 39 percent.

Many, indeed most, of these gains have been made possible by the tax actions of this same 5½-year period, actions which have included a reduction in personal and corporate income taxes, faster tax writeoffs for capital improvements and a tax credit for investment in new plant and equipment.

Our problem today is far different from the one we faced in 1961, of high unemployment and idle productive power. If anything, we may have been too successful in moving from too little to too much. Excessive demands on our economy, caused primarily by a tremendous surge of tax-credit-inspired business investment coupled with defense spending, have resulted in rising prices and high interest rates.

Consumer prices are now moving up at a rate of some 3 percent a year. This is a record of price stability which almost any other industrialized nation would view with pride. But its effect has been to erode purchasing power and to inflict a particularly cruel burden on those living on fixed incomes.

Our booming economy and the war in Vietnam have generated a staggering demand for borrowed funds. The inevitable result of this demand, when combined with the restraining actions taken by the Federal Reserve Board, has been a rapid increase in the price of money. But tight money, while putting a squeeze on homebuilding and small businessmen, has not cooled the boom in business investment and commercial building. Business investment, as a matter of fact, is at an alltime high and still rising. Department of Commerce figures reveal that investment rose by $4 billion in the second quarter of this year, as against a rise of $2.6 billion in the first quarter.

To put it in another perspective, since 1961 consumer spending has increased by 37 percent; personal income by 39 percent; and industrial production by 44 percent. But business spending for plant and equipment has increased by 73 percent.

Cast in this light, the President's call last Thursday for a temporary 16-month suspension of the 7-percent investment credit and accelerated depreciation schedule is both reasonable and necessary. The President is to be commended for taking this action to secure a balanced economy, and the legislation now before the House Committee on Ways and Means should be enacted promptly.

This legislation will not immediately, or necessarily by itself, lead to a reduction of high interest rates or the reappearance of mortgage money. But it will ease the present excessive rate of expansion and demand. It will dampen the costly fires of inflation.

Mr. Speaker, prompt consideration also should be given, by both Congress and the administration, to additional fiscal tools to combat inflation. The

reliance on interest rates—a monetary tool—over the last several months, has been insufficient. Without appropriate fiscal adjustments to effect a proper "mix" of savings, spending, and investment, the high interest rates have, in some cases, been damaging. They are, at best, a limited instrument.

Consideration should be given to temporarily restoring the reduction in corporate income taxes enacted by Congress in 1963. This action lowered the overall corporate tax rate from 52 to 48 percent and lowered the rate on the first $25,000 of taxable income from 30 to 22 percent.

As the distinguished columnist, Joseph Kraft, pointed out recently, a higher corporate tax rate could begin to bite as soon as Congress acted. It would hit the biggest gainers from the recent prosperity, and the largest source of increased demand.

Consideration should be given as well to enacting emergency, standby tax authority which the President could use for a limited period of time either to spur or hold back economic growth. The Joint Economic Committee pointed out earlier this year that such standby authority could come into effect whenever Congress passes, and the President signs, a joint resolution bringing it into operation. Such action, hopefully, would be accompanied by a revision of the Federal revenue structure which would broaden its base, improve its fairness, and contribute more effectively to steady and sustained economic growth.

I want to make it very clear, Mr. Speaker, that I will support whatever actions are necessary to promote a healthy, growing economy without the cancer of inflation. But I want to make it equally clear that I will oppose efforts to delay or cut back such essential domestic programs as education, housing, revitalization of our cities, or the war on poverty. Reductions in these areas would be false economies indeed. The very fact that Negro unemployment has increased at the same time that our economy is booming, with an overall unemployment at its lowest mark in 6 years, is only one indication that we have a big job to do at home and that we have no time at all to lose in doing it.

If our healthy and growing economy does not provide us with the means to finance our essential efforts both at home and abroad, then I feel confident that the American people will support a reasonable and an appropriate tax increase. For the question is not whether we can afford both guns and butter; it is how.

This country's first and foremost line of defense is its own people. They cannot and must not be neglected, shortchanged or relegated to second place. The doors of economic and social opportunity are not yet fully open to all Americans. We must move quickly to see that they are. We must provide the programs that will make it possible.

A WATCHDOG IN DECLINE

Mr. HALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. HALL. Mr. Speaker, in the current issue of Columbia Journalism Review there appears an article by Robert O. Blanchard entitled "A Watchdog in Decline." Mr. Blanchard is acting chairman of the department of journalism, public relations and broadcasting, at American University in Washington, D.C.

He says, among other things, that despite its widely acknowledged achievements, the Foreign Operations and Government Information Subcommittee is now all but defunct. While praising the committee for its vigor during the Eisenhower administration, the article notes that its energies have been "more discreetly applied," during the 5 years of Democrat administration which followed.

Noting this change of heart on the part of a once crusading committee, Mr. Blanchard says:

> The second five years of the subcommittee has been the down-curve. It's decline, however, has been more subtle than its rise.

The writer suggests that in searching for a new watchdog, "political realism must prevail," and he recommends looking for "other young, able Congressmen who are looking for their place in the sun."

I suggest a much more effective solution would be to follow the recommendations of a special Republican task force which strongly recommended that the control of the Committee on Government Operations, always be placed in the hands and control of the minority party. There will always be eyebrows raised when the investigator and the accused are members of the same family.

The praise accorded the recent passage of the freedom of information bill looms less deserving when one reads the article which I commend to my colleagues and the press.

[From the Columbia Journalism Review, summer 1966]

A WATCHDOG IN DECLINE

(This year's enactment of a Federal Public Records Law may have seemed a triumph for freedom of information. But it comes at a time of decay in the information crusade and its chief Congressional adjunct, the Moss Committee.)

(By Robert O. Blanchard)

For ten years, the Special Subcommittee on Government Information and its successor, the Foreign Operations and Government Information Subcommittee, have functioned as a major Congressional weapon to unstop the barriers to the flow of information to the public from the federal bureaucracy. Despite its widely acknowledged achievements, the Moss Committee—as it has been known in the press—is now all but defunct.

Its decline has gone almost unreported. Neither the freedom of information (FoI) reports of the major journalism associations nor the journalism trade press has noted its downward slide in effectiveness over the last five years.

The successes of the Moss Committee in the 1950's might account for this inattention. Representative JOHN E. MOSS, Democrat of California, and his staff, with generous research assistance and publicity from formation restrictions were documented in journalism groups and associations, played havoc with the Eisenhower Administration's information policies. During its first five years (1955–1960), hundreds of cases of inseventeen volumes of hearing transcripts and fourteen volumes of reports and committee prints. Less tangible, but no less impressive, successes were scored by the subcommittee in injecting the FoI issue into political campaigns and in "educating" the bureaucracy. The Moss Committee reached its peak in 1960. The second five years of the subcommittee has been the down-curve. Its decline, however, has been more subtle than its rise.

The most recent mention of the Moss Committee in newspapers has been in connection with the Federal Public Records Law enacted this year. Even this is fruit from the subcommittee's more active days. The basic draft of the bill (S. 1160), which the Moss Committee and the Government Operations Committee reported out this spring, was drawn up in 1960 by the late Professor Jacob Scher, subcommittee counsel. The major differences between the Scher draft and the present law originated in the Senate in 1964.

S. 1160 is only the second major piece of legislation to be reported out by the Moss Committee in a decade. The Moss Committee's specialty has not been legislation. It has been a watchdog, and its role has been to check the "efficiency and economy" of federal operations under its jurisdiction and, if necessary, recommend corrective legislation.

During its ten years, the subcommittee has used a variety of weapons to challenge withholding of information. One of the most important and successful has been the telephone. Most of the time—especially after the Moss Committee gained its reputation—a telephone call from a subcommittee staff member to an agency information officer or an official accused of withholding information could bring about a reversal.

If the call did not work, the next step was usually a letter from Moss to the agency head asking by what statutory authority information was withheld. The next step was publicizing the contents of the letter (assuming an unsatisfactory response from the agency).

The next moves took more subcommittee time and resources. Criteria were established by Moss and the staff to choose cases worth the expenditure of resources. One important criterion was whether the subcommittee had a solid, documented case. Another was whether it was a clear case, which could easily be dramatized by the press.

Some cases were used in speeches by Moss or staff members. Many were included in the periodic subcommittee reports, which were distributed widely and publicized. Others were used to document the need for corrective legislation. Some carefully chosen cases grew into open issues between Moss and a department head. The final step could be a full-scale investigatory hearing.

This "pick and shovel work," as Moss has called it was possible because the Moss Committee could depend on wide press co-operation. This assurance was one of the subcommittee's strongest weapons, one that other committees of Congress did not normally have.

The Moss Committee enjoyed institutionalized support from the beginning through the FoI chairmen or representatives in the American Society of Newspaper Editors, Sigma Delta Chi, Associated Press Managing Editors, the American Newspaper Publishers Association, National Editorial Association (now the National Newspaper Association),

and other groups; and its relations with selected Washington reporters—contacts effectively developed and maintained by former newsmen on the staff—also helped.

The Moss Committee-press organization coordination was frequent. In the last pages of a Moss Committee report Representative Clare Hoffman of Michigan, the minority member, charged that subcommittee reports could be read in the newspapers before the reports were completed. Regarding a report to be issued as of August 11, 1958, he said:

"I was interested but not surprised to read all about the contents of this report, complete with quotations, in the wire service messages of early afternoon on August 6, and in full news stories in the Washington *Star* and in the Washington *Post* on August 7."

Other examples can be found in Moss Committee correspondence. When James S. Pope, then of the Louisville *Courier-Journal*, received a copy of one of the subcommittee's unpublished reports in 1960, he wrote to Scher:

"I am sending a copy of this letter to Russ Wiggins [of *The Washington Post*] in the hope that he may have a chance to discuss with you and Sam [Archibald, subcommittee staff director] the best way to have a really good story about the report made available to newspapers upon publication. Some of us, of course, could just pick up the fine job that Russ always gets done on things like this for the *Post*, but I'd like for the A.P. and U.P. to have responsible coverage too. Maybe you could collaborate with the *Post* in a digest that could be made available to A.P. for the Sunday Newsfeature service."

Cooperation was a two-way affair. At times, the Moss Committee staff wrote the press organizations' freedom-of-information annual reports—which were in turn widely reproduced in the press in terms laudatory of the Moss Committee.

In 1962, the APME sent an FoI questionnaire to all Congressional candidates. It had been prepared by the Moss Committee staff, which sent copies of suggested answers to the questions to all Democratic candidates—apparently with the knowledge and approval of the APME—obviously leaving the Republican candidates at a disadvantage.

Coordination between the staff and FoI leaders was augmented through a list of 888 names and addresses. The list included members of all known FoI committees—on the national, state, and local level—major editors and publishers, journalism schools and their faculties, and members of the working press. Through this network, Moss Committee press releases, committee prints, reports, and transcripts were distributed nationally.

To measure the Moss Committee's decline as a watchdog, one may point to the quality and quantity of hearings—the major source of all other subcommittee publications.

From November 7, 1955, to April 23, 1959, the subcommittee held seventeen hearings, many of them vigorously critical of the Eisenhower Administration's security and information policies. These hearings received generally vigorous coverage by the press, with editorial page follow-ups.

After John F. Kennedy became President, there were no hearings until 1963. After breaking this four-year silence, the Moss Committee conducted seven hearings connected with information issues.

Significantly, however, these hearings were not part of the "availability of information" series started during the Eisenhower Administration. The first five Kennedy Administration hearings were labeled "government information plans and policies." Moss was no longer attacking barriers but seeking "guidelines which can and should be imposed on information during periods of crises."

The quality and quantity of subcommittee reports is another measure of decline. During the Eisenhower Administration the subcommittee published fourteen reports and committee prints dealing with aspects of government withholding. Another report, published after Kennedy's election, dealt with the last six months of Eisenhower.

In an equal period of time since the administration has been Democratic, the subcommittee has published only six such reports or prints on a variety of subjects. Few of these—perhaps two—could be classified as similar in quality to publications during the Eisenhower Administration.

What has brought about this qualitative and quantitative change? The reaction of many reporters has been to attribute it to "politics as usual," since Moss is a Democrat, There is a fraction of truth to this explanation. However, the whole story is more complex.

The election of Kennedy, which brought about an administration and Congress under the control of one party, reduced executive-legislative conflict. Moreover, Kennedy significantly changed the issues. Some of this change was due to the success of the Moss Committee in injecting information-access issues into the 1960 campaign. The subcommittee set the stage for and dramatized the Eisenhower Administration's handling of the United States Information Agency prestige-poll controversy. The issue of "executive privilege" (a broadly cited authority for withholding information by high- and low-level officials in the Eisenhower Administration) was also dramatized by the committee. The 1960 Democratic platform contained a freedom-of-information plank, which Moss and the committee staff had initiated.

When Kennedy entered the White House, the Moss Committee staff and Kennedy staff jointly prepared a letter, which Moss "sent" to Kennedy, inquiring about the President's policy on "executive privilege." In responding (in a letter prepared by both staffs), Kennedy said he would limit the use of this unwritten power to himself, contrasted with Eisenhower's delegation of that alleged authority. For this commitment to freedom of information Kennedy was hailed by the Moss Committee and the press. Both, however, probably were aware that it was easy for Kennedy to cast away the forms of the previous administration's information policies for more positive, centralized methods.

Later, during the two Cuban crises, the press and the Moss Committee were to see the other side of this policy. On one hand, Kennedy took a positive attitude: information would be made freely available, yes. On the other hand, under certain circumstances, the timing of the release or the form and context of the information was a matter of of administrative discretion. This "news management" was not unique; previous administrations had practiced it. But it was more dramatic. Eisenhower's information policy had been predominantly restrictive—and less manipulative.

The reaction of the FoI movement to the Kennedy (and Johnson) style—this positive, gate-keeping theory of information flow—was confusion. Just as a possible conflict between Kennedy and the Moss Committee was in the making, in the form of a report on the missile crisis hearings, Kennedy was assassinated.

Another variable affecting the Moss Committee in the early 1960's was the career of JOHN E. MOSS. While chairman of his subcommittee, Moss rose swiftly into the House leadership to the position of deputy Whip. He is now within eventual striking distance of the House Speakership. One does not, as a party leader, unduly, unnecessarily, or willingly embarrass or challenge party leadership when it is in the White House. This new side of Moss has generally been overlooked.

It is perhaps most significant that the FoI movement appears to have lost its steam—at least as evidenced in its relations with the Moss Committee in the past ten years.

The ASNE leadership in the 1950's used an effective ideological and legal weapon—the late Harold L. Cross's *The People's Right to Know*. The book was employed against withholding of information at all levels of government. Cross supplemented his work with legal advice to the Moss Committee. This research, and a well-organized FoI movement, played a significant role in the establishment and direction of the Moss Committee. During its first two years, the Moss Committee acted primarily as a forum for the dramatization of Cross's research and the backlog of other hitherto-ignored FoI cases.

Cross died in 1959, but Scher, another journalism educator-lawyer (both men taught journalism law, Cross at Columbia and Scher at Northwestern), was already an able legal consultant to the Moss Committee. Scher's point of view was as zealous as Cross's.

When Scher died in 1961, other forces were already at work within the FoI movement to lessen its effectiveness. The warhorses—Pope and V. M. (Red) Newton, for instance—retired. One of the most active ASNE leaders had been J. Russell Wiggins. His strategic location in Washington, his position as editor of *The Washington Post*, and his anti-Eisenhower administration politics, made him one of FoI's most effective spokesmen in the 1950's. He has been less active in the 1960's.

The second generation of FoI leaders is at the helm of an old ship on uncharted seas. Its relations with the Moss Committee in this Congress show it. They have lacked independent research resources to check the legal distinctions in FoI legislation and other matters of information policy. They have followed, not led, the Moss Committee staff, forgetting that the subcommittee was largely a creature of conditions the FoI movement helped create. They have long depended on the Moss Committee for legal advice and research, in effect giving the subcommittee *carte blanche*.

Thus the current "freedom of information" act, the Federal Public Records Law, is full of holes. In its original draft, done by Scher in 1960, the measure had three categories of information exempt from disclosure. The final version of this legislation contains nine categories of exemptions—most of them inserted after executive agency pressure. The passage of this bill alone could hardly be termed a victory for freedom of information. If the legislation is to have any of the beneficial effects predicted by the FoI groups, its administration will have to be actively and intelligently watched by these groups with the aid of a Congressional watchdog.

Two broad courses of action seem to be open to those who want to re-establish an effective Congressional check on federal withholding of information and "news management":

1. Retool the FoI movement. There is a wealth of ideology and many platitudes, but little substance, left from the movement's wave of the 1950's. There should be a reassessment of methods, problems, and goals as defined and identified by research on the new conditions of the 1960's.

2. Reconstruct the FoI movement relations with Congress. Congress undoubtedly is still the best recourse to fight administration withholding, as Cross pointed out in 1952.

With Moss now in a leadership position, he is perhaps limited in his time and desire to be an FoI spokesman. The FoI movement can do one, or both, of two things:

Convince Moss that it is in his and the nation's interest to use his subcommittee's resources and his leadership position in the House to review aggressive surveillance of government information withholding *and*

management. He could be presented with suggested plans of action, perhaps relating to information about Viet Nam.

Look for other young, able Congressmen who are looking—as Moss was in 1955—for their place in the sun (or at least something to write home about). In searching for a new watchdog, political realism must prevail. No member of Congress should be asked to crusade for an issue which will bring him no political return.

The Moss Committee—like any other political body—lives or dies in a political environment. One of the elements of this environment is the FoI movement. The FoI groups—represented largely by the press—can help determine the life or death of the subcommittee as they have known it. They can do this most effectively by acting realistically within the democratic process as interest groups in support of a principle that is in the public interest as well as their own.

CONGRESSMAN BROCK ASKS DISCLOSURE OF METRO BUSING BILL

Mr. BROCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

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

There was no objection.

Mr. BROCK. Mr. Speaker, I understand that the 1967 education bill already has been drafted by the administration and submitted to the Secretary of Health, Education, and Welfare. It apparently is destined to become "must" legislation for the 90th Congress. The real test of new experiments in education, however, will come on this year's pending housing bill, when the House of Representatives will consider the metropolitan development section. It will be through the proposed metro title of the bill that Congress will be asked next year to endorse a multibillion-dollar program designed to achieve "racial balance" in education in virtually every metropolitan area of the country. Thus, if the House of Representatives approves the proposed metro title of the bill now, the administration will have won its biggest test and the scene will be set for forced school busing next year.

For these reasons it is imperative this draft bill be revealed before Congress is tricked into voting for a supposedly innocent metro title of the housing bill.

In terms of radical departure from the traditional Federal role, the school busing scheme will make the open-housing section of the House-passed 1966 civil rights bill look like tiddlywinks. Using metro as the statutory foundation, the Johnson administration apparently intends to ask for:

First. Metropolitan areawide rezoning of school attendance areas, without regard to existing State or county lines, to compel racial balance in public schools;

Second. Busing of suburban schoolchildren into city schools, and busing of city pupils to suburban schools at Federal insistence and expense. Failure to comply with compulsory racial balance will result in massive penalties in a vast array of existing Federal-aid programs included in the pending metro section of the housing bill.

Third. Complete obliteration of present school district boundary lines, with free transfers between school districts.

Fourth. Federal subsidies to underwrite the cost of rewriting history books so as to recast the history of racial and religious minorities.

I insist the Johnson administration make public the existence of this legislation as well as its plans to achieve school busing under the metro title of the pending housing bill. It would be better for the White House and the Office of Education to have the honesty to make public their intentions, along with their motives; but if they refuse I intend to fight to remove the veil of secrecy from this radical plan which would destroy local responsibility for our Nation's educational system.

Mr. Speaker, I include an article entitled "Education Bombshell" in the September 9 Washington Post by Robert Novak and Rowland Evans at this point in the RECORD:

[From the Washington Post, Sept. 9, 1966]

INSIDE REPORT: EDUCATION BOMBSHELL

(By Rowland Evans and Robert Novak)

In the highest reaches of the Department of Health, Education and Welfare, planners have secretly put together an education bill for 1967 that would be certain to whip the white backlash into a frenzy.

The bill recommended by a policy planning task force quietly at work for the last several months would make a radical departure in Government policy by supplying extra Federal funds to school districts that achieve an integrated racial balance. Put another way, school districts that do not achieve that balance would be penalized.

This would escalate the Federal Government's attack on de jure (legal) segregation in the South to an assault on de facto (neighborhood) segregation in the North. In fact, the task force recommends that the Johnson Administration actively promote such politically explosive integration devices as school busing and pupil exchanges between the white suburbs and the black inner city.

Whether the White House will finally put its stamp of approval on this combustible package and send it to Congress next year is a matter of considerable doubt. Nevertheless, the fact that Federal officials who have the most to do with education would seriously consider such a plan is a matter of major interest.

For, quite apart from adding to the backlash, their plans run counter to modern, sophisticated thinking on how to solve the education problem in the Negro ghettos. With Negro school population as high as 90 per cent in some cities, civil rights leaders conceded that racial balance may not be an attainable goal and that Federal funds would be far better spent making all-Negro schools the very best in teachers and equipment.

But even that is in some doubt. The basic problem in ghetto schools may be the methods of education and, most important, the quality of the student's home life.

But no such subtleties are discussed in the program of the task force, which has now gone to the desk of Education Commissioner Harold Howe and may soon be drafted into a legislative bill. It calls for the "Equal Education Opportunity Act of 1967" to provide extra funds for school districts willing to take steps to achieve racial balances.

Specifically, Howe's planners talk of encouraging district-wide rezoning, site selection designed to produce integrated schools, school busing, pupil exchanges between the suburbs and the inner city and even new kinds of curricula designed to aid racial integration. The task force recommends that these integration grants start at $175 million in the next fiscal year and climb to $375 million four years later.

Even more interesting is a confidential suggestion by the task force that school grants be made a part of the metropolitan planning section of President Johnson's "demonstration cities" bill now pending in Congress.

This section would provide a 20 per cent boost in many varieties of Federal grants—highways and airports, for example—for cities that set up a metro planning agency meeting Federal specifications. The education task force suggests that school grants could be added to this list by a simple amendment next year.

This leads to the possibility that if a school district did not conform to Federal standards on racial balance, the metropolitan area could lose not only the extra school grants but the 20 per cent extra money for all other varieties.

Moreover, the allocation of the extra school money for the integrated districts would be made not by the state Departments of Education but by the Commissioner of Education in Washington. And Howe has left no doubt about how he feels on this score.

In sharp contrast to his predecessor as Commissioner, Francis Keppel, Howe has shown no hesitancy to involve Uncle Sam directly in the sensitive problem of de facto segregation.

CONGRESSMAN HORTON URGES BIGGER AND BROADER FEDERAL SUPPORT FOR WATER-POLLUTION CONTROL

Mr. HORTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

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

There was no objection.

Mr. HORTON. Mr. Speaker, recently, I introduced a measure which provides for 70 percent Federal grant participation in research projects undertaken to reduce industrial pollution of our waterways. I want today to praise the House Public Works Committee for its prompt and responsible action in reporting this measure as part of its omnibus antipollution measure, H.R. 16076.

While there is no question that industry is responsible for much of the water pollution problem we are faced with, it is also a fact that the research and vast financial outlays required to eliminate industrial pollution cannot be provided by industry alone. Further, there is serious doubt, as evidenced by recent hearings of the Committee on Science and Astronautics, that the technological tools needed to solve this problem are sufficiently developed. Thus, it is doubly important that we provide adequate aid for the research which is needed to develop these methods and equipment, and to bring the solutions within our reach.

Earlier this session, I introduced H.R. 17170 providing for recognition awards to industries and municipalities which

demonstrate excellence in pollution abatement. The research grant program provides further means of helping firms which show initiative in eliminating pollution. I am particularly pleased that the committee has approved the 70 percent Federal participation formula for research grants. Both in H.R. 17576, my bill paralleling this provision, and in H.R. 17369, which I introduced recently, I have supported high percentages of Federal participation in pollution control research and works projects.

Just as industry cannot bear all of the burden of developing solutions to the contamination of our waters, cities and towns are under as much or more financial stress, with demands on their tax dollars from myriad municipal responsibilities. Thus, the Federal role must be enhanced if we are to implement effective clean water programs and facilities.

In H.R. 17369, I provided for 70-percent Federal participation in sewage treatment construction projects undertaken by municipalities, while both the Senate and the House Public Works Committees have kept this participation below 50 percent. Like the research grant program the committee has just reported at the 70-percent level, the treatment works grant program bears close watching to see if the participation provided is adequate incentive for the prompt improvement of this Nation's pollution prevention facilities.

Mr. Speaker, I again want to commend the committee on its foresight in reporting so promptly this urgently needed program for research in the area of industrial pollution. We are fortunate in having on this committee, men who are dedicated to the task of cleansing our waterways, men like Congressman ROBERT E. JONES, with whom I am proud to serve as the ranking minority member of his Government Operations Subcommittee on Natural Resources and Power.

BUSING OF STUDENTS TO CREATE RACIAL BALANCE

Mr. CRAMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

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

There was no objection.

Mr. CRAMER. Mr. Speaker, I have been deeply disturbed that despite the mandate of Congress against granting or withholding of Federal funds for the purpose of facilitating the busing of students to accomplish de facto integration or racial balance, Commissioner of Education Howe is apparently determined to use the full power of his Office to force the busing of students and also to threaten neighborhood schools by this method and by promoting school desegregation through the single school campus concept. The school commune is on its way unless Congress stops it.

As the author of the amendment to title IV of the 1964 Civil Rights Act involving the school desegregation, I can attest that it is the intent of Congress that no funds under that title or under the 1964 Civil Rights Act should be spent for the purpose of creating racial balance or for the busing of students.

Pursuant to my amendment on the floor of the House in 1964, "desegregation" was defined, as now appears in title 42, United States Code, Subchapter IV, Public Education, section 2000c(b), as follows:

> "Desegregation" means the assignment of students to public schools and within such schools without regard to their race, color, religion, or national origin, but "desegregation" shall not mean the assignment of students to public schools in order to overcome racial imbalance.

To further emphasize this intent of Congress, section 2000c-6 provides for action by the Attorney General in desegregation cases and states that—

> Nothing herein shall empower any official or court of the United States to issue any order seeking to achieve a racial balance in any school by requiring the transportation of pupils or students from one school to another or one school district to another in order to achieve such racial balance.

This latter provision was written into this title by my amendment in the Judiciary Committee.

The debate on the House floor and the report on the bill clearly shows that Congress intended that no power of the Federal Government and no funds administered by the Federal Government could or should be used for the purpose of busing students.

Despite this mandate, I have been informed that the Hartford, Conn., School Board, acting in an area where there has not been any deliberate segregation, has proposed a grant of $130,840 to combat de facto segregation and that it is making a request for this sum as part of a program which involves the busing of 300 students to suburban areas.

There are a number of other grants that have been brought to my attention that could easily involve the same misuse of Federal funds, including the following: Los Angeles, $109,103; New York City, $199,951; Oakland, Calif., $30,000; California State Department of Education, $153,901; New York State Department of Education, $85,400.

In order to prevent this misuse of funds and to inform the Commissioner of the clear intent of Congress, I directed a letter to Mr. Harold Howe II, Commissioner of Education, which follows these remarks asking for a full report on these matters. The House should be fully advised as to how Federal funds are being spent for this purpose contrary to law.

This letter was addressed to Mr. Howe on August 23, 1966, and as of this date, I have had no reply nor have I had a call from Mr. Howe concerning my protest. I am therefore making my correspondence a matter of record, as well as an article which appeared in the September 5, 1966, issue of the U.S. News & World Report entitled, "Is Federal Aid Helping To End Neighborhood Schools?" This is being done for the information of the Congress and the judiciary and the Appropriations Committee that have oversight functions relating to the civil rights bill and the spending of funds.

I am also inserting an article by Rowland Evans and Robert Novak entitled "Education Bombshell," which substantiates the fact that legislation will soon be proposed to use the "demonstration cities" bill, should it become law, to force the busing of students and to accomplish racial balance. This proposal suggests that the full power of the Federal Government would be used to enforce the expedition of racial balance within metropolitan school areas in order to combat de facto segregation.

Also disturbing is the fact that Federal funds are being withheld by the Department of Education under title V of the 1964 Civil Rights Act in order to accomplish "racial balance" although it is obvious that the definition of "desegregation" under title IV was intended to apply equally to title V grants and loans.

The material requested follows:

[From U.S. News & World Report, Sept. 5, 1966]

IS FEDERAL AID HELPING TO END NEIGHBORHOOD SCHOOLS?

Government purse strings are being opened to Northern classrooms to push integration—That's the latest charge in Congress, where issue is raised about the legality of educational grants designed to discourage "racial imbalance" in schools.

Federal programs to help "desegregate" schools in Northern cities have run into a challenge in Congress.

The challenge came on August 23 from Representative WILLIAM C. CRAMER (Rep.), of Florida.

Representative CRAMER charged that the U.S. Office of Education "appears to be violating" the 1964 Civil Rights Act by granting more than $730,000 of federal funds "to implement experiments attacking *de facto* segregation or racial imbalance" in Northern schools.

Mr. CRAMER wrote the U.S. Commissioner of Education, Harold Howe II, asking "under what authority" his office is making such grants and told the House, "I intend to pursue this matter."

Mr. Howe, on August 25, denied Mr. CRAMER's charge and said "a full, responsive reply to the Congressman's inquiry is being prepared."

The issue raised in this dispute is one that could decide the fate of the system of "neighborhood schools" that is used in the North. That issue:

Is there any legal authority for federal action to break up the kind of "segregation" found in the North?

This so-called *de facto* segregation is not caused by the exclusion of Negroes from white schools. It results from housing patterns, with Negroes concentrated in neighborhoods that are nearly all-Negro, and with children attending schools in their neighborhoods.

The Supreme Court has never held that this is unconstitutional.

Congress has tried to exclude *de facto* segregation as a target of its civil-rights legislation.

LEGAL QUICKSAND

Mr. Howe complained recently that in trying to attack the Northern style of "segregation," federal officials run into "quicksands of legal interpretation." He said: "We can't do anything; we can only suggest and stimulate local school districts."

Many federal officials, however, have come out with "suggestions"—and federal "stimulation" is being given to a variety of local actions.

Much of the "stimulation" to local action has come in the form of federal money. Some of this money has come from funds appropriated for aid for education—not from the civil-rights funds cited by Representative CRAMER.

East Orange, N.J., for example, has received $162,000 of federal aid-to-education money for planning an "educational plaza" which would serve to bring together school facilities now scattered widely around the city.

The East Orange idea is to "phase out all neighborhood schools" and replace them with a central complex that would provide "a common educational experience for children and youth from all sections of the city—rich and poor, Negro and white."

East Orange officials are hoping for additional federal funds in carrying out this plan.

OTHER CITIES, OTHER METHODS

Similar ideas for central "educational parks" or "plazas" are being discussed in several cities.

Mt. Vernon, N.Y., is counting on federal assistance to establish a model "children's acedemy"—using the newest educational methods—located on the fringes of white and Negro neighborhoods to attract children of both races.

This idea is in line with a recent Howe suggestion that "we will have to reappraise where the boundary lines of neighborhoods should be drawn when we speak of 'the neighborhood school.'"

Mr. Howe also suggested that the nation needs to take a "close look" at the whole system of neighborhood schools in the light of its frequent effect of separating Negroes from whites in the schoolroom.

Another Howe suggestion is that white suburbs should share the racial problems of city schools. One of his ideas is that city school districts might combine with suburban districts.

This idea has been under consideration in Atlanta, Ga., where school authorities talk of creating a Metropolitan Educational Authority that would include the predominantly white suburbs along with the heavily Negro city.

WHAT VOTERS THINK

One problem that Atlanta has encountered is that many suburban residents do not relish the idea of unification with the city.

Last May, voters of suburban Sandy Springs turned down by a vote of more than 2 to 1 a proposed annexation with Atlanta. One reason given by a Sandy Springs leader was fear "the Federal Government might compel busing of students" because "we don't have enough Negroes in our community."

Norman F. Lent, a State senator from a suburb of New York City, was quoted by "The Wall Street Journal" recently as predicting that "the time is coming when the City of New York will attempt to exchange students on a forced basis with its suburbs."

To this, according to "The Journal," Mayor John L. Messina of suburban Port Chester replied: "Never."

Commissioner Howe warned educators in a recent speech that they must be prepared to risk "enraging suburban taxpayers" to carry out the task of desegregating Northern schools.

Busing of city Negroes to suburban schools already is being tried on a small scale in several cities.

One of the federal grants attacked by Representative CRAMER gives $130,000 to a Hartford, Conn., experiment in which 266 pupils from heavily Negro schools in the city are to be bused into white suburbs.

This grant was made under Title IV of the 1964 Civil Rights Act, which authorizes federal aid for dealing with problems of "desegregation."

The federal money is not used to finance the actual busing of Hartford pupils. Instead, it goes for the pay and training of special teachers and consultants, and for "evaluation" of the results of the experiment.

Mr. Howe describes this as helping "school personnel to deal effectively with special educational problems occasioned by desegregation, which is in the authorizing language of Title IV." He insists:

"No Title IV funds are being used for transporting pupils or overcoming racial imbalance."

A DEFINITION OF DESEGREGATION

Mr. CRAMER's position is that the Hartford grant is "part and parcel" of a program based on busing and thus "encourages what the Congress specifically forbade." He told the House:

"In passing the 1964 Civil Rights Act, this body adopted my amendment to the definition of 'desegregation' which says that 'desegregation shall not mean the assignment of students to public schools in order to overcome racial imbalance'."

In the light of this definition, Mr. CRAMER said:

"It becomes crystal clear that the award of federal funds to any school board for the purpose of implementing programs aimed at overcoming *de facto* segregation or racial imbalance is absolutely improper. . . .

"Grants are being made to Northern school boards, including Hartford, Conn., where there has not been any deliberate segregation of students in the public schools. The only logical conclusion is that the grants are being made to overcome *de facto* segregation or racial imbalance."

SPENDING IN OTHER CITIES

In addition to the Hartford grant, officials of the U.S. Office of Education list these other grants that have been made under the Civil Rights Act for "desegregation" purposes to school systems that are outside the South:

Los Angeles, $109,103 to train personnel in problems of desegregation.

New York City, $199,951 for training personnel with one aim described as: "to develop skills in the area of civil liberties and civil rights."

Oakland, Calif., $30,000 for "advisory specialists in solving the problems of racially and ethnically mixed schools."

California State department of education, $153,901 "for a Statewide advisory service for local school districts to assist them in dealing with problems incident to desegregation."

New York State department of education, $85,400 "to establish a model State program for desegregation" and $8,600 for a teacher institute "on individualizing instruction for classroom integration in two schools of New York City.

Syracuse, N.Y., $12,604 for planning a school-desegregation program.

Together with the Hartford project, these grants add up to the $730,000 figure cited by Mr. CRAMER.

Whatever the outcome of the Cramer challenge to such spending, the role of the Federal Government in the war on *de facto* segregation seems sure to grow.

Studies of Northern schools are being made by the U.S. Civil Rights Commission and the Office of Education. Bills are pending in Congress to authorize specifically the use of federal aid against racial imbalance.

Schools of the South have been under federal pressure ever since the Supreme Court outlawed separate schools for Negroes in 1954. Now the pressure is shifting to the North, as well.

AUGUST 23, 1966.

Mr. HAROLD HOWE II,
Commissioner of Education,
Washington, D.C.

DEAR MR. HOWE: I have been informed that the Department of Education has granted or is in the process of granting over $730,000 under Title IV of the 1964 Civil Rights Act to implement programs aimed at overcoming de facto segregation or racial imbalance.

Although it is my understanding that the Federal government is not authorizing these grants for the purpose of financing the actual busing of students to public schools in order to overcome racial imbalance, the grants in some areas are being awarded as part and parcel of local proposals which are based in the first instance on the busing students. The definition of "desegregation" which was adopted by the Congress in the 1964 Civil Rights Act makes it clear that grants in aid of desegregation are to be awarded only to schools where desegregation comes about as a normal incident of the integration of public schools and not as part of an effort to achieve racial balance. The result is that the Office of Education appears to be violating both the letter and the spirit of Title IV of the 1964 Civil Rights Act which specifically prohibits the granting of Federal funds for the purpose of promoting the assignment of students to overcome racial imbalance.

In view of the clear intent of Congress in enacting Title IV, and specifically in light of its definition of "desegregation", I am herewith requesting to know under what authority your Office is acting in making these grants to northern school boards, where there has been no deliberate segregation, for the purpose of overcoming defacto segregation or racial imbalance.

I am specifically requesting information on the proposal made by the Hartford, Connecticut School Board where there has been no deliberate segregation and which I understand has requested $130,840 to attack defacto segregation and which is making its request for this sum as part of a program which involves the busing of 300 students to suburban areas.

Sincerely,

WILLIAM C. CRAMER,
Member of Congress.

[From the Washington (D.C.) Post, Sept. 9, 1966]

EDUCATION BOMBSHELL

(By Rowland Evans and Robert Novak)

In the highest reaches of the Department of Health, Education and Welfare, planners have secretly put together an education bill for 1967 that would be certain to whip the white backlash into a frenzy.

The bill recommended by a policy planning task force quietly at work for the last several months would make a radical departure in Government policy by supplying extra Federal funds to school districts that achieve an integrated racial balance. Put another way, school districts that do not achieve that balance would be penalized.

This would escalate the Federal Government's attack on de jure (legal) segregation in the South to an assault on de facto (neighborhood) segregation in the North. In fact, the task force recommends that the Johnson Administration actively promote such politically explosive integration devices as school "busing" and pupil exchanges between the white suburbs and the black inner city.

Whether the White House will finally put its stamp of approval on this combustible package and send it to Congress next year is a matter of considerable doubt. Nevertheless, the fact that Federal officials who have the most to do with education would seriously consider such a plan as a matter of major interest.

For, quite apart from adding to the backlash, their plans run counter to modern, sophisticated thinking on how to solve the education problem in the Negro ghettos. With Negro school population as high as 90 per cent in some cities, civil rights leaders conceded that racial balance may not be an

attainable goal and that Federal funds would be far better spent making all Negro schools the very best in teachers and equipment.

But even that is in some doubt. The basic problem in ghetto schools may be the methods of education and, most important, the quality of the student's home life.

But no such subtleties are discussed in the program of the task force, which has now gone to the desk of Education Commissioner Harold Howe and may soon be drafted into a legislative bill. It calls for the "Equal Education Opportunity Act of 1967" to provide extra funds for school districts willing to take steps to achieve racial balances.

Specifically, Howe's planners talk of encouraging district-wide rezoning, site selection designed to produce integrated schools, school busing, pupil exchanges between the suburbs and the inner city and even new kinds of curricula designed to aid racial integration. The task force recommends that these integration grants start at $175 million in the next fiscal year and climb to $375 million four years later.

Even more interesting is a confidential suggestion by the task force that school grants be made a part of the metropolitan planning section of President Johnson's "demonstration cities" bill now pending in Congress.

This section would provide a 20 per cent boost in many varieties of Federal grants—highways and airports, for example—for cities that set up a metro planning agency meeting Federal specifications. The education task force suggests that school grants could be added to this list by a simple amendment next year.

This leads to the possibility that if a school district did not conform to Federal standards on racial balance, the metropolitan area could lose not only the extra school grants but the 20 per cent extra money for all other varieties.

Moreover, the allocation of the extra school money for the integrated districts would be made not by the State Departments of Education but by the Commissioner of Education in Washington. And Howe has left no doubt about how he feels on this score.

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UNITED STATES-CANADIAN AUTOMOTIVE AGREEMENT

Mr. STALBAUM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. STALBAUM. Mr. Speaker, since the United States-Canadian Automotive Agreement was implemented last December, the little band of gloomy prophets who opposed its ratification has watched foreboding become fact.

In a letter to our colleagues on August 30, 1965, Representatives BRADEMAS, MCCLORY, STUBBLEFIELD, and I listed our objections to passage of the authorizing legislation. Our opposition can be summed up in one terse sentence:

> The United States will give away part of its market in automotive products to Canada and get nothing in return.

The accuracy of this prognosis is confirmed by statistics collected by the Automotive Manufacturers Association and the U.S. Commerce Department's Business and Defense Supply Agency. Judging from the January–March figures, total imports of Canadian auto parts in 1966 will be three times greater than in 1965.

Another alarming comparison indicates that the value of Canadian passenger cars imported by the United States in the first 6 months of 1966 already exceeds twice the value of these vehicles imported in all of 1965.

These trends forecast a 30-percent decline in our favorable trade balance with Canada in new vehicles and parts by the end of the year—a slump which is cause for concern in itself but which is also one more heavy straw on our precarious balance-of-payments account.

This altruistic benevolence lavished on our northern neighbor has had another distressing—and costly—repercussion. The Automotive Products Trade Act has already been certified as the "primary factor" in the elimination of 600 jobs held by American workers, and many more American jobs and paychecks will be casualties of the administration's generosity to the Canadian labor market. Ultimately, this generosity may cost American taxpayers millions of dollars in unemployment compensation payments.

Opportunities to say "I told you so" are rare; this one is too tempting to resist. However, my remarks have a higher purpose. I hope they will provoke an immediate review of the automotive agreement that will lead to renegotiation of its liberal concessions to Canadian prosperity. Shoring up the Canadian economy and sweetening our diplomatic relations with Canada are admirable objectives, but the administration apparently must be reminded that its primary obligation is to American workers, American industry, and the American economy.

A BILL TO STRENGTHEN THE REGULATORY AND SUPERVISORY AUTHORITY OF FEDERAL AGENCIES OVER INSURED BANKS AND INSURED SAVINGS AND LOAN ASSOCIATIONS

Mr. PEPPER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. PEPPER. Mr. Speaker, today I have introduced the following bill, the text of which is included, followed by a summary and section-by-section analysis:

H.R. 17703

A bill to strengthen the regulatory and supervisory authority of Federal agencies over insured banks and insured savings and loans associations, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Financial Institutions Supervisory Act of 1966".

TITLE I—PROVISIONS RELATING TO THE FEDERAL HOME LOAN BANK BOARD AND THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

SEC. 101. Subsection (d) of section 5 of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(d)) is hereby amended to read as follows:

"(d)(1) The Board shall have power to enforce this section and rules and regulations made hereunder. In the enforcement of any provision of this section or rules and regulations made hereunder, or any other law or regulation, or in any other action, suit, or proceeding to which it is a party or in which it is interested, and in the administration of conservatorships and receiverships, the Board is authorized to act in its own name and through its own attorneys. The Board shall be subject to suit by any Federal savings and loan association or director or officer thereof or other aggrieved person with respect to any matter under this section or any other applicable law, or rules or regulations thereunder, in the United States district court for the judicial district in which the home office of the association is located in or which such aggrieved person resides or in the United States District Court for the District of Columbia, and the Board may be served with process in the manner prescribed by the Federal Rules of Civil Procedure.

"(2)(A) If by formal resolution the Board determines that an association is violating or within the past two years has violated any law or regulation, it may issue and serve upon the association a notice of charges in respect thereof. The notice shall contain a statement of the facts and actions which constitute the alleged violation or violations of law or regulations and shall fix a time and place at which a hearing will be held to determine whether an order to cease and desist therefrom should issue against the association. Such hearing shall be fixed for a date not earlier than thirty days nor later than sixty days after service of the notice, provided, however, that the Board shall fix an earlier date and may fix a later date at the request of the association. Unless the association shall appear at the hearing by a duly authorized representative, it shall be deemed to have consented to the issuance of the cease and desist order. In the event of such consent, or if upon the record made at any such hearing the Board shall find that any violation specified in the notice of charges has been established, the Board may issue and serve upon the association an order to cease and desist from any such violation. Such order may, by provisions which may be prohibitory or mandatory or a combination thereof, require the association and its directors, officers, employees, and agents to cease and desist from the same, and, further, to take affirmative action to correct the conditions resulting from any such violation.

"(B)(1) Any hearing provided for in this subsection (d) shall be held in the Federal judicial district or in the territory in which the home office of the association is located, unless the party afforded the hearing consents to another place, and shall be conducted by one or more independent hearing examiners in accordance with the provisions of the Administrative Procedure Act; but such hearing shall be private and the record of such hearing shall be sealed, unless a public hearing is requested by the party afforded the hearing. The hearing shall be conducted with reasonable expedition, and within ninety days after the Board has notified the parties that the case has been submitted to it for final decision. The Board shall render its decision in writing on the record made at the hearing (which decision shall include findings of fact upon which it is predicated) and shall issue and cause to be served upon each party to the proceeding an order or orders consistent with the provisions of this subsection (d). Unless a petition for court review is timely filed and thereafter until such record as may then exist in the proceeding has been filed with the court, the Board may at any time, upon reasonable no-

tice to affected persons, modify any such order in a manner consistent with the hearing record so as to make it less onerous or terminate or set aside the order. However, when a petition has been filed with an appropriate court and when such record has been filed with the court, the Board may modify, terminate, or set aside any such order only with permission of the court.

"(2) In the course of or in connection with any proceeding under this subsection (d), the Board or any member thereof or a designated representative of the Board, including any person designated to conduct any hearing under this subsection (d), shall have power to administer oaths and affirmations, to take or cause to be taken depositions, and to issue, revoke, quash or modify subpenas and subpenas duces tecum; and the Board is empowered to make rules and regulations with respect to any such proceedings consistent with the provisions of the Administrative Procedure Act and this Act. The attendance of witnesses and the production of documents provided for in this paragraph may be required from any place in the State or territory at the designated place where such proceeding is being conducted or from any place in any other State or territory at any designated place within such other State or territory, respectively. Any party to proceedings under this subsection (d) may apply to the United States district court for the District of Columbia or the United States district court for the judicial district or the United States court in any territory in which such proceeding is being conducted or where the witness resides or carries on business, for enforcement of a subpena or subpena duces tecum issued pursuant to this paragraph, and such courts shall have jurisdiction to order and require compliance with the terms of such subpenas and subpenas duces tecum. Witnesses subpenaed under this paragraph shall be paid the same fees and mileage that are paid witnesses in the United States district courts. All expenses of the Board or of the Federal Savings and Loan Insurance Corporation in connection with this subsection (d) shall be considered as nonadministrative expenses. Any service required or authorized to be made by the Board under this subsection (d) may be made by registered mail or by personal service, as the Board may by regulation or otherwise provide.

"(C) A cease and desist order shall become effective at the expiration of thirty days after service of such order upon the association concerned (except in the case of a cease and desist order issued upon consent, which shall become effective at the time specified therein), and shall remain effective and enforceable, except to such extent as it is stayed, modified, terminated, or set aside by action of the Board or by a reviewing court.

"(D) In the case of a failure to obey a cease and desist order, as to which a petition for review has not been filed in the proper United States district court, the Board may apply to the United States district court, or the United States court of any territory, within the jurisdiction of which the home office of the association is located, for an injunction to enforce such order, and such courts shall have jurisdiction to entertain such application and, if the court shall determine that there has been such a violation of a law or regulation as forms the basis for the cease and desist order and that there has been such a failure to obey, it may issue such injunction.

"(E) Within thirty days after the date a cease and desist order is served upon it, an association or any aggrieved person may file a petition for review of such order in the United States district court, or the United States court of any territory, within the jurisdiction of which the home office of such association is located, or in the United States District Court for the District of Columbia. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Board, and thereupon the Board shall file in the court the record in the proceeding, as provided in section 2112 of title 28 of the United States Code. Upon the filing of such petition, such court shall have jurisdiction to determine and adjudicate the issues of law and fact presented thereby and shall have jurisdiction to enter a judgment determining the validity of or enjoining, suspending, setting aside or enforcing, in whole or in part, the order issued by the Board. In any such action, the court shall consider the record in the proceeding before the Board, may take evidence, and may conduct a trial of the facts and law in the case de novo if in its opinion the circumstances of the case warrant such action. Appeals from any action of such court in such proceedings shall lie as in other matters subject to its jurisdiction.

"(F) The filing of a petition for review under subparagraph (E) of this paragraph shall not of itself stay or suspend the effectiveness of a cease and desist order which is the subject of the petition for review, but the court in its discretion may restrain or suspend, in whole or in part, the operation of the order pending its determination of the matters in petition.

"(G) Where a petitioning association or an aggrieved person applies for an interlocutory injunction suspending or restraining the enforcement, operation, or execution of, or setting aside, in whole or in part, any action by the Board following service upon the association of a notice of charges of violation of a law or regulation, the court shall exercise jurisdiction over such an application and, in cases where irreparable damage would otherwise ensue to the petitioner, shall order a temporary stay or suspension, in whole or in part, of further action of the Board upon the charges pending the decision on the application for such interlocutory injunction, in which case such order of the court shall contain a specific finding that such irreparable damage would result to the petitioner and specifying the nature of such damage. The hearing of such an application for an interlocutory injunction shall be given preference and expedited and the application shall be heard at the earliest practicable date after notice to the Board by the court of hearing on the application.

"(H) Any court having jurisdiction of any proceeding instituted under this subsection (d) by an association or a director or officer thereof or other aggrieved person may allow to any such party such reasonable expenses and attorneys' fees as it deems just and proper; and such expenses and fees shall be paid by the association or from its assets.

"(I)(1) In any proceeding properly brought before it under this subsection (d), a court shall have power to hear and determine all questions of law or fact that may be at issue between the parties in the proceeding without being bound by any conclusions of law or fact previously made by the Board.

"(2) Any action or proceeding authorized under this subsection (d) may be brought by an association or other aggrieved person without exhausting any alternative administrative procedures or remedies that may be available to such association or person.

"(3) If the home office of an association is not located within a judicial district of the United States, any action or proceeding authorized under this subsection (d) to which such association is a party or affecting such association may be filed in the United States district court for the District of Columbia, and such court shall have jurisdiction as if such office were located within the district of such court. Service on such association in any such action or proceeding may be made by registered mail.

"(J)(1) The term 'cease and desist order' includes a cease and desist order that has been affirmed or modified under any provision of this subsection (d).

"(2) The terms 'cease and desist order which has become final' and 'order which has become final' mean a cease and desist order and an order, respectively, with respect to which the time allowed for filing petition for review has expired without the filing of such petition, or if such a petition has been filed, with respect to all subsequent rights of any party to appellate review of or writs of certiorari in any related proceedings have terminated.

"(3) The term 'cease and desist order' shall not include any order that has the effect of limiting the rate of dividends or interest payable on savings or loans handled by an association, of appointing or removing any officer, director, employee, agent, or attorney of an association, of assuming any managerial function of an officer or director of an association, or of assuming any prerogative of shareholders or stockholders of an association.

"(4) The term 'territory' includes the Commonwealth of Puerto Rico, and any possession of the United States or any place subject to the jurisdiction of the United States.

"(3)(A) Except as otherwise provided in this paragraph (3), the grounds for appointment of a conservator or receiver for an association shall be one or more of the following: (i) insolvency in that the assets of the association are less than its obligations to its creditors and others, including its members; (ii) willful and substantial dissipation of assets or earnings due to a violation or violations of law or regulations; (iii) willful and substantial violation of a cease and desist order which has become final; and (iv) concealment of books, papers, records, or assets of the association, or refusal to submit books, papers, records, or affairs of the association for inspection to any examiner or lawful agent of the Board. The Board shall have exclusive power and jurisdiction to appoint a conservator or receiver upon court order as hereinafter provided.

"(B) Appointment of a conservator or receiver upon any one or more of the grounds set forth in this paragraph (3) shall be made by the Board upon the order of the United States district court for the district in which the home office of the association involved is located.

"(C) In the event such court shall find that one or more of the grounds set forth in this paragraph (3) for the appointment of a conservator or receiver exists and that an emergency exists which involves a substantial and continuing dissipation of assets, or in the event such court finds that the management of the association involved is unable to exercise validly effective control of the association, the court may order the Board to appoint a conservator or receiver ex parte and without notice to the association affected by the order. However, in the event of such appointment the association may, within thirty days after such appointment petition the court that issued such an order for an order rescinding such appointment and the court shall upon the merits either dismiss such action and affirm the appointment or order the Board to terminate such appointment.

"(D) In any proceeding brought by the Board for the appointment of a conservator or receiver, the court shall grant such request only if in the opinion of the court the issuance of a cease and desist order under subsection (d) would not afford the Board an effective method of protecting the interests of the public or of the savings account holders of the association or the interests of the Federal Savings and Loan Insurance Corporation.

"(E) Proceedings under this paragraph (3) shall be given precedence over other cases

pending in any such court, and shall in every way be expedited.

"(F) In addition to the foregoing provisions, the Board may, without any requirement of notice, hearing, or other action, appoint a conservator or receiver for an association in the event that the association, by resolution of its board of directors or of its members, consents to such appointment.

"(G)(1) A conservator shall have all the powers of the members, the directors, and the officers of the association and shall be authorized to operate the association in its own name or to conserve its assets in the manner and to the extent authorized by the Board. The Board shall appoint only the Federal Savings and Loan Insurance Corporation as receiver for an association, and said Corporation shall have power to buy at its own sale as receiver, subject to approval by the Board.

"(2) The appointment of a receiver under any provision of this subsection (d) shall constitute a default within the meaning of Title IV of the National Housing Act.

"(3) The Board may, without any requirement of notice, hearing or other action, petition the appointing court to replace a conservator with another conservator or with a receiver, but any such replacement, or a succession of such replacements, shall not affect any right which the association may have for review of the original appointment, except that any removal resulting from such review shall be removal of the conservator or receiver in office at the time of removal.

"(H) The Board shall have power to make rules and regulations for the reorganization, consolidation, merger, liquidation and dissolution of associations and for associations in conservatorship and receivership and for the conduct of conservatorships and receiverships; and the Board may, by regulation or otherwise, provide for the exercise of functions by members, directors, or officers of an association during conservatorship and receivership.

"(I) Whenever a conservator or receiver appointed by the Board in the manner provided in this paragraph (3) demands possession of the property, business, and assets of any association, or of any part thereof, any director, officer, employee, or agent of such association who refuses to comply with the demand shall upon conviction for such refusal be subject to a fine of not more than $1,000 or imprisonment for not more than one year, or both.

"(4) The members, directors, officers and attorneys of the association in office at the time of initiation of any proceedings under this subsection (d) are expressly authorized to contest any such proceedings, and shall be reimbursed for reasonable expenses and attorneys' fees by the association or from its assets, and the Board in any such proceeding before it or its delegates shall allow and order paid any such reasonable expenses and attorneys' fees.

"(5)(A) Except with written consent of the Board, no person shall serve as a director, officer, or employee of an association or as an officer or employee of the Federal Home Loan Bank Board who has been finally convicted within five years preceding the proposed commencement of such service, or who is hereafter finally convicted, of a felony involving dishonesty or breach of trust.

"(B) For each conviction of willful violation of the prohibition in this paragraph (5), the person involved shall be subject to a fine of not more than $100 for each day the prohibition is violated or imprisonment for not more than ten days for each day the prohibition is violated, or both such fine and imprisonment."

SEC. 102. Section 407 of the National Housing Act (12 U.S.C. 1730) is hereby amended by inserting "(a)" before the word "Any" at the beginning of said section and by adding the following new paragraphs at the end of said section:

"(b)(1) Before beginning any proceeding to terminate insurance under the provisions of subsection (a) of this section, however, if by formal resolution the Corporation determines that any insured institution or any institution any of the accounts of which are insured is violating or within the past two years has violated any law or regulation, it may issue and serve upon the institution a notice of charges in respect thereof. The notice shall contain a statement of the facts and actions which constitute the alleged violation or violations of law or regulations and shall fix a time and place at which a hearing will be held to determine whether an order to cease and desist therefrom should issue against the institution. Such hearing shall be fixed for a date not earlier than thirty days nor later than sixty days after service of the notice, provided, however, that the Corporation shall fix an earlier date and may fix a later date at the request of the institution. Unless the institution shall appear at the hearing by a duly authorized representative, it shall be deemed to have consented to the issuance of the cease and desist order. In the event of such consent, or if upon the record made at any such hearing the Corporation shall find that any violation specified in the notice of charges has been established, the Corporation may issue and serve upon the institution an order to cease and desist from any such violation. Such order may, by provisions which may be prohibitory or mandatory or a combination thereof, require the institution and its directors, officers, employees, and agents to cease and desist from the same, and, further, to take affirmative action to correct the conditions resulting from any such violation.

"(2) Any hearing provided for in this subsection (b) shall be held in the Federal judicial district or in the territory in which the home office of the insured institution is located, unless the party afforded the hearing consents to another place, and shall be conducted by one or more independent hearing examiners in accordance with the provisions of the Administrative Procedure Act; but such hearing shall be private and the record of such hearing shall be sealed, unless a public hearing is requested by the party afforded the hearing. The hearing shall be conducted with reasonable expedition, and within ninety days after the Corporation has notified the parties that the case has been submitted to it for final decision, the Corporation shall render its decision in writing on the record made at the hearing (which decision shall include findings of fact upon which it is predicated) and shall issue and cause to be served upon each party to the proceeding an order or orders consistent with the provisions of this subsection (b). Unless a petition for court review is timely filed and thereafter until such record as may then exist in the proceeding has been filed with the court, the Corporation may at any time, upon reasonable notice to affected persons, modify any such order in a manner consistent with the hearing record so as to make it less onerous or terminate or set aside the order. However, when a petition has been filed with an appropriate court and when such record has been filed with the court, the Corporation may modify, terminate, or set aside any such order only with permission of the court.

"(3) In the course of or in connection with any proceeding under this subsection (b), the Corporation or a designated representative of the Corporation, including any person designated to conduct any hearing under this subsection (b), shall have power to administer oaths and affirmations, to take or cause to be taken depositions, and to issue, revoke, quash or modify subpenas and subpenas duces tecum; and the Corporation is empowered to make rules and regulations with respect to any such proceedings consistent with the provisions of the Administrative Procedure Act and this Act. The attendance of witnesses and the production of documents provided for in this paragraph may be required from any place in the State or territory at the designated place where such proceeding is being conducted or from any place in any other State or territory at any designated place within such other State or territory, respectively. Any party to proceedings under this subsection (b) may apply to the United States district court for the District of Columbia or the United States district court for the judicial district or the United States court in any territory in which such proceeding is being conducted or where the witness resides or carries on business, for enforcement of a subpena or subpena duces tecum issued pursuant to this paragraph, and such courts shall have jurisdiction to order and require compliance with the terms of such subpenas and subpenas duces tecum. Witnesses subpenaed under this paragraph shall be paid the same fees and mileage that are paid witnesses in the United States district courts. All expenses of the Corporation in connection with this subsection (b) shall be considered as nonadministrative expenses. Any service required or authorized to be made by the Corporation under this subsection (b) may be made by registered mail or by personal service, as the Corporation may by regulation or otherwise provide. Copies of any notice or order served by the Corporation upon any institution or any director or officer thereof, pursuant to the provisions of this section, shall also be sent to the appropriate State supervisory authority.

"(4) A cease and desist order shall become effective at the expiration of thirty days after service of such order upon the institution concerned (except in the case of a cease and desist order issued upon consent, which shall become effective at the time specified therein), and shall remain effective and enforceable, except to such extent as it is stayed, modified, terminated, or set aside by action of the Corporation or by a reviewing court.

"(5) In the case of a failure to obey a cease and desist order, as to which a petition for review has not been filed in the proper United States district court, the Corporation may apply to the United States district court, or the United States court of any territory, within the jurisdiction of which the home office of the institution is located, for an injunction to enforce such order, and such courts shall have jurisdiction to entertain such application and, if the court shall determine that there has been such a violation of a law or regulation as forms the basis for the cease and desist order and that there has been such a failure to obey, it may issue such injunction.

"(6) Within thirty days after the date a cease and desist order is served upon it, an institution or any aggrieved person may file a petition for review of such order in the United States district court, or the United States court of any territory, within the jurisdiction of which the home office of such association is located or in the United States District Court of the District of Columbia. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Corporation and to the appropriate State supervisory authority, and thereupon the Corporation shall file in the court the record in the proceeding, as provided in section 2112 of title 28 of the United States Code. Upon the filing of such petition, such court shall have jurisdiction to determine and adjudicate the issues of law and fact presented thereby and shall have jurisdiction to enter a judgment determining the validity of or enjoining, suspending, setting aside or enforcing, in whole or in part, the order issued by the Corporation. In any such

action, the court shall consider the record in the proceeding before the Corporation, may take evidence, and may conduct a trial of the facts and law in the case de novo if in its opinion the circumstances of the case warrant such action. Appeals from any action of such court in such proceedings shall lie as in other matters subject to its jurisdiction.

"(7) The filing of a petition for review under paragraph (6) of this subsection (b) shall not of itself stay or suspend the effectiveness of a cease and desist order which is the subject of the petition for review, but the court in its discretion may restrain or suspend, in whole or in part, the operation of the order pending its determination of the matters in petition.

"(8) Where a petitioning institution or aggrieved person applies for an interlocutory injunction suspending or restraining the enforcement, operation, or execution of, or setting aside, in whole or in part, any action by the Corporation following service upon the institution of a notice of charges of violation of a law or regulation, the court shall exercise jurisdiction over such an application and, in cases where irreparable damage would otherwise ensue to the petitioner, shall order a temporary stay or suspension, in whole or in part, of further action of the Corporation upon the charges pending the decision on the application for such interlocutory injunction, in which case such order of the court shall contain a specific finding that such irreparable damage would result to the petitioner and specifying the nature of such damage. The hearing of such an application for an interlocutory injunction shall be given preference and expedited and the application shall be heard at the earliest practicable date after notice to the Corporation and the appropriate State supervisory authority of hearing on the application.

"(9) Any court having jurisdiction of any proceeding instituted under this subsection (b) by an institution or a director or officer thereof or other aggrieved person may allow to any such party such reasonable expenses and attorneys' fees at it deems just and proper; and such expenses and fees shall be paid by the institution or from its assets.

"(10) In any proceeding properly brought before it under this subsection (b), a court shall have power to hear and determine all questions of law or fact that may be at issue between the parties in the proceeding without being bound by any conclusions of law or fact previously made by the Corporation.

"(11) Any action or proceeding authorized under this subsection (b) may be brought by an institution or other aggrieved person without exhausting any alternative administrative procedures or remedies that may be available to such institution or person.

"(12) If the home office of an institution is not located within a judicial district of the United States, any action or proceeding authorized under this subsection (b) to which such institution is a party or affecting such institution may be filed in the United States district court for the District of Columbia, and such court shall have jurisdiction as if such office were located within the district of such court. Service on such institution in any such action or proceeding may be made by registered mail.

"(13) In connection with any action under this section involving an insured State-chartered institution or any director, officer, employee, agent or attorney thereof, the Corporation shall provide the appropriate State supervisory authority with notice of the Corporation's intent to institute such action and the grounds therefor. Unless within such time as the Corporation deems appropriate in the light of the circumstances of the case (which time must be specified in the notice prescribed in the preceding sentence) satisfactory corrective action is effectuated by action of the State supervisory authority, the Corporation may within thirty days thereafter file a complaint with the United States district court for the judicial district in which the home office of the institution involved is located, stating the action the Corporation wishes to take against the institution and the grounds therefor, noting that in the Corporation's opinion satisfactory corrective action that has not been effectuated by the State supervisory authority after due notice given to such authority by the Corporation, and praying for appropriate relief. The institution involved and the State supervisory authority shall be joined as necessary parties. In any such action, the court shall consider the facts, shall take evidence, shall conduct a trial of the facts and the law in the case de novo, and shall have jurisdiction to issue and enforce appropriate orders, which may include orders to either the Corporation or the State supervisory authority or both to proceed with appropriate remedial actions or to refrain from action on the basis of the case presented.

"(14) The members, directors, officers, and attorneys of the institution in office at the time of initiation of any proceedings under subsections (a) or (b) of this section are expressly authorized to contest any such proceedings, and shall be reimbursed for reasonable expenses and attorneys' fees by the institution or from its assets, and the Corporation in any such proceeding before it or its delegates shall allow and order paid any such reasonable expenses and attorneys' fees.

"(15) Except with written consent of the Corporation, no person shall serve as a director, officer or employee of an institution or as an officer or employee of the Corporation who has been finally convicted within five years preceding the proposed commencement of such service, or who is hereafter finally convicted, of a felony involving dishonesty or breach of trust.

"(16) For each conviction of willful violation of the prohibition in paragraph (15) above, the person involved shall be subject to a fine of not more than $100 for each day the prohibition is violated or imprisonment for not more than ten days for each day the prohibition is violated, or both such fine and imprisonment.

"(c)(1) The term 'cease and desist order' includes a cease and desist order that has been affirmed or modified under any provision of subsection (b) of this section.

"(2) The terms 'cease and desist order which has become final' and 'order which has become final' mean a cease and desist order and an order, respectively, with respect to which the time allowed for filing petition for review has expired without the filing of such petition, or if such a petition has been filed, with respect to all subsequent rights of any party to appellate review of or writs of certiorari in any related proceedings have terminated.

"(3) The term 'cease and desist order' shall not include any order that has the effect of limiting the rate of dividends or interest payable on savings or loans handled by an institution, of appointing or removing any officer, director, employee, agent, or attorney of an institution, of assuming any managerial function of an officer or director of an institution, or of assuming any prerogative of shareholders or stockholders of an institution.

"(4) The term 'territory' includes the Commonwealth of Puerto Rico, and any possession of the United States or any place subject to the jurisdiction of the United States."

TITLE II—PROVISIONS RELATING TO THE FEDERAL DEPOSIT INSURANCE CORPORATION, THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, AND THE COMPTROLLER OF THE CURRENCY

SEC. 201. Paragraph (6) of subsection (j) of section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817(j)(6)) is repealed and section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) is amended by adding the following new subsection (q):

"(q) The term 'appropriate Federal banking agency' shall mean (a) the Comptroller of the Currency in the case of a national banking association or a District bank, (b) the Board of Governors of the Federal Reserve System in the case of a State member insured bank (except a District bank), and (c) the Federal Deposit Insurance Corporation in the case of a State nonmember insured bank (except a District bank)."

SEC. 202. Section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) is amended by redesignating subsections (b), (c), and (d) thereof as (o), (p), and (q) and by adding after subsection (a) thereof the following new subsections (b) through (n), inclusive:

"(b) If by formal resolution the appropriate Federal banking agency determines that any insured bank or bank which has insured deposits is violating or within the past two years had violated any law or regulation, the agency may issue and serve upon the bank a notice of charges in respect thereof. The notice shall contain a statement of the facts and actions which constitute the alleged violation or violations of law or regulations and shall fix a time and place at which a hearing will be held to determine whether an order to cease and desist therefrom should issue against the bank. Such hearing shall be fixed for a date not earlier than thirty days nor later than sixty days after service of the notice: *Provided, however,* That the agency shall fix an earlier date and may fix a later date at the request of the bank. Unless the bank shall appear at the hearing by a duly authorized representative, it shall be deemed to have consented to the issuance of the cease and desist order. In the event of such consent, or if upon the record made at any such hearing the agency shall find that any violation specified in the notice of charges has been established, the agency may issue and serve upon the bank an order to cease and desist from any such violation. Such order may, by provisions which may be prohibitory or mandatory or a combination thereof, require the bank and its directors, officers, employees, and agents to cease and desist from the same, and, futher, to take affirmative action to correct the conditions resulting from any such violation.

"(c)(1) Any hearing provided for in this section shall be held in the Federal judicial district or in the territory in which the home office of the bank is located, unless the party afforded the hearing consents to another place, and shall be conducted by one or more independent hearing examiners in accordance with the provisions of the Administrative Procedure Act; but such hearing shall be private and the record of such hearing shall be sealed, unless a public hearing is requested by the party afforded the hearing. The hearing shall be conducted with reasonable expedition, and within ninety days after the agency has notified the parties that the case has been submitted to it for final decision, the agency shall render its decision in writing on the record made at the hearing (which decision shall include findings of fact upon which it is predicated) and shall issue and cause to be served upon each party to the proceeding an order or orders consistent with the provisions of this section. Unless a petition for court review is timely filed and thereafter until such record as may then exist in the proceeding has been filed with the court, the agency may at any time, upon reasonable notice to affected persons, modify any such order in a manner consistent with the hearing record so as to make it less onerous or terminate or set aside the order. However, when a petition has been filed with an appropriate court and when such record has been filed with

the court, the agency may modify, terminate, or set aside any such order only with permission of the court.

"(2) In the course of or in connection with any proceeding under this section, the agency or any member thereof or a designated representative of the agency, including any person designated to conduct any hearing under this section, shall have power to administer oaths and affirmations, to take or cause to be taken depositions, and to issue, revoke, quash or modify subpenas and subpenas duces tecum; and the agency is empowered to make rules and regulations with respect to any such proceedings consistent with the provisions of the Administrative Procedure Act and this Act. The attendance of witnesses and the production of documents provided for in this subsection may be required from any place in the State or territory at the designated place where such proceeding is being conducted or from any place in any other State or territory at any designated place within such other State or territory, respectively. Any party to proceedings under this section may apply to the United States district court for the District of Columbia or the United States district court for the judicial district or the United States court in any territory in which such proceeding is being conducted or where the witness resides or carries on business, for enforcement of a subpena or subpena duces tecum issued pursuant to this subsection, and such courts shall have jurisdiction to order and require compliance with the terms of such subpenas and subpenas duces tecum. Witnesses subpenaed under this section shall be paid the same fees and mileage that are paid witnesses in the United States district courts. All expenses of the agency in connection with this section shall be considered as nonadministrative expenses. Any service required or authorized to be made by the agency under this section may be made by registered mail or by personal service, as the agency may by regulation or otherwise provide.

"(d) A cease and desist order shall become effective at the expiration of thirty days after service of such order upon the bank concerned (except in the case of a cease and desist order issued upon consent, which shall become effective at the time specified therein), and shall remain effective and enforceable, except to such extent as it is stayed, modified, terminated or set aside by action of the agency or by a reviewing court.

"(e)(1) In the case of a failure to obey a cease and desist order, as to which a petition for review has not been filed in the proper United States district court, the agency may apply to the United States district court or the United States court of any territory, within the jurisdiction of which the home office of the bank is located, for an injunction to enforce such order, and such courts shall have jurisdiction to entertain such application and, if the court shall determine that there has been such a violation of a law or regulation as forms the basis for the cease and desist order and that there has been such a failure to obey, it may issue such injunction.

"(e)(2) Within thirty days after the date a cease and desist order is served upon it, a bank or any aggrieved person may file a petition for review of such order in the United States district court, or the United States court of any territory, within the jurisdiction of which the home office of such bank is located, or in the United States district court for the District of Columbia. A copy of such petition shall be forthwith transmitted by the clerk of the court to the agency, and thereupon the agency shall file in the court the record in the proceeding, as provided in section 2112 of title 28 of the United States Code. Upon the filing of such petition, such court shall have jurisdiction to determine and adjudicate the issues of law and fact presented thereby and shall have jurisdiction to enter a judgment determining the validity of or enjoining, suspending, setting aside or enforcing, in whole or in part, the order issued by the agency. In any such action, the court shall consider the record in the proceeding before the agency, may take evidence, and may conduct a trial of the facts and law in the case de novo if in its opinion the circumstances of the case warrant such action. Appeals from any action of such court in such proceedings shall lie as in other matters subject to its jurisdiction.

"(3) The filing of a petition for review under this subsection (e) shall not of itself stay or suspend the effectiveness of a cease and desist order which is the subject of the petition for review, but the court in its discretion may restrain or suspend, in whole or in part, the operation of the order pending its determination of the matters in petition.

"(f) Where a petitioning bank or an aggrieved person applies for an interlocutory injunction suspending or restraining the enforcement, operation, or execution of, or setting aside, in whole or in part, any action by the agency following service upon the bank of a notice of charges of violation of a law or regulation, the court shall exercise jurisdiction over such an application and, in cases where irreparable damage would otherwise ensue to the petitioner, shall order a temporary stay or suspension, in whole or in part, of further action of the agency upon the charges pending the decision on the application for such interlocutory injunction, in which case such order of the court shall contain a specific finding that such irreparable damage would result to the petitioner and specifying the nature of such damage. The hearing of such an application for an interlocutory injunction shall be given preference and expedited and the application shall be heard at the earliest practicable date after notice to the agency by the court of hearing on the application.

"(g) Any court having jurisdiction of any proceeding instituted under this section by a bank or a director or officer thereof or other aggrieved person may allow to any such party such reasonable expenses and attorneys' fees as it deems just and proper; and such expenses and fees shall be paid by the bank or from its assets.

"(h)(1) In any proceeding properly brought before it under this section, a court shall have power to hear and determine all questions of law or fact that may be at issue between the parties in the proceeding without being bound by any conclusions of law or fact previously made by the agency.

"(2) Any action or proceeding authorized under this section may be brought by a bank or other aggrieved person without exhausting any alternative administrative procedures or remedies that may be available to such bank or person.

"(3) If the home office of a bank is not located within a judicial district of the United States, any action or proceeding authorized under this section to which such bank is a party or affecting such bank may be filed in the United States district court for the District of Columbia, and such court shall have jurisdiction as if such office were located within the district of such court. Service on such bank in any such action or proceeding may be made by registered mail.

"(i) In connection with any action under this section involving a State member insured bank (except a District bank) or a State nonmember insured bank (except a District bank) or any director, officer, employee, agent or attorney thereof, the agency shall provide the appropriate State supervisory authority with notice of the agency's intent to institute such action and the grounds therefor. Unless within such time as the agency deems appropriate in the light of the circumstances of the case (which time must be specified in the notice prescribed in the preceding sentence) satisfactory corrective action is effectuated by action of the State supervisory authority, the agency may within thirty days thereafter file a complaint with the United States district court for the judicial district in which the home office of the bank involved is located, stating the action the agency wishes to take against the bank and the grounds therefor, noting that in the agency's opinion satisfactory corrective action has not been effectuated by the State supervisory authority after due notice given to such authority by the agency, and praying for appropriate relief. The bank involved and the State supervisory authority shall be joined as necessary parties. In any such action, the court shall consider the facts, shall take evidence, shall conduct a trial of the facts and the law in the case de novo, and shall have jurisdiction to issue and enforce appropriate orders, which may include orders to either the agency or the State supervisory authority or both to proceed with appropriate remedial actions or to refrain from action on the basis of the case presented.

"(j) The members, directors, officers, and attorneys of the institution in office at the time of initiation of any proceedings under this section are expressly authorized to contest any such proceedings, and shall be reimbursed for reasonable expenses and attorneys' fees by the bank or from its assets, and the agency in any such proceeding before it or its delegate shall allow and order paid any such reasonable expenses and attorneys' fees.

"(k)(1) Except with written consent of the agency, no person shall serve as a director, officer or employee of a bank or as an officer or employee of any agency who has been finally convicted within five years preceding the proposed commencement of such service, or who is hereafter finally convicted, of a felony involving dishonesty or breach of trust.

"(k)(2) For each conviction of willful violation of the prohibition in subsection (k) of this section, the person involved shall be subject to a fine of not more than $100 for each day the prohibition is violated or imprisonment for not more than ten days for each day the prohibition is violated, or both such fine and imprisonment.

"(l) Section 19 of the Federal Deposit Insurance Act (12 U.S.C. 1829) is hereby repealed.

"(m) Any provision of law to the contrary notwithstanding, no conservator or receiver shall be appointed for any national banking association or District bank or any member bank or any nonmember insured bank unless in the opinion of the agency the issuance of a cease and desist order under this section would not afford the agency an effective method of protecting the interests of the public or of depositors of the bank or of the agency.

"(n)(1) The term 'cease and desist order' includes a cease and desist order that has been affirmed or modified under any provision of this section.

"(2) The terms 'cease and desist order which has become final' and 'order which has become final' mean a cease and desist order and an order, respectively, with respect to which the time allowed for filing petition for review has expired without the filing of such petition, or if such a petition has been filed, with respect to all subsequent rights of any party to appellate review of or writs of certiorari in any related proceedings have terminated.

"(3) The term 'cease and desist order' shall not include any order that has the effect of limiting the rate of interest payable on deposits or loans handled by a bank, of appointing or removing any officer, director, employee, agent or attorney of a bank, of

assuming any managerial function of an officer or director of a bank, or of assuming any prerogative of stockholders of a bank."

SUMMARY OF SUBSTITUTE BILL FOR S. 3158, FINANCIAL INSTITUTIONS SUPERVISORY ACT OF 1966

General Statement. Basically the substitute bill would grant the Federal Home Loan Bank Board cease and desist order power over both Federal and State-chartered savings and loan associations having accounts insured by FSLIC and would grant the appropriate Federal banking regulatory agency parallel powers over banks.

Cease and Desist Orders. Grounds for a cease and desist order would be violation of a law or regulation. A hearing under the Administrative Procedure Act would follow issuance of a notice by the Federal Home Loan Bank Board or Federal banking agency charging such a violation. A cease and desist order takes effect 30 days after its service (earlier only by consent).

Interlocutory Court Action. The institution or an aggrieved person may apply to a Federal district court after service of a notice of charges for an interlocutory injunction, which the court may issue upon a showing that irreparable damage would otherwise befall the petitioner.

Court Review of Cease and Desist Orders. Within 30 days after service of a cease and desist order, the institution or an aggrieved person may petition a Federal court for review of the order. The Board files the hearing record in court.

Court Procedures. The court may determine both facts and law. It is to consider the record, may take evidence and try the facts and law de novo if circumstances warrant. The court is not bound by previous conclusions of fact or law by the Board. The court may stay the cease and desist order when a petition for review is filed. It may allow the parties reasonable expenses and attorneys' fees payable from institution assets. The parties need not exhaust administrative remedies before petitioning for court review.

Exclusions from Cease and Desist Orders. Cease and desist orders cannot cover rate control on savings or loans, appointment or removal of personnel, assumption of managerial functions, or assumption of prerogatives of stockholders or shareholders.

Control of Personnel. The bill contains no provisions allowing the Federal agencies to suspend or remove officers, directors or other personnel of institutions. However, it does bar service in institutions to a person convicted within the past 5 years of felonious dishonesty or breach of trust, except with consent of the Federal agency.

Federal Associations—Conservators and Receivers. As to Federal associations only, grounds for conservatorship or receivership are insolvency, dissipation of assets, violation of a cease and desist order, and concealment of records or assets. The Board may appoint a conservator or receiver on order of the Federal district court. The court may allow appointment ex parte and without notice in an emergency, but the institution may petition the court within 30 days to rescind the appointment. The court is to allow appointment only if a cease and desist order would not protect the public, savers and FSLIC or FDIC. The Board may appoint a conservator or receiver without court action and without notice or hearing if the institution's board of directors consents. Appointment of a receiver triggers a default under the National Housing Act. The Board may petition the court to replace a conservator or receiver without notice or hearing. The Board may allow institution personnel to function during conservatorship or receivership.

Incumbent Personnel May Protest Proceedings. Institution members, directors and officers may contest any proceedings under subsection (d) (cease and desist or conservator or receiver proceedings) at institutional expense, to be allowed by the Board.

FSLIC Insured Institutions—State Authorities. As to institutions insured by FSLIC (Federal and State-chartered), present insurance termination proceedings are maintained. Before starting such proceedings, FSLIC is to invoke cease and desist order proceedings for violation of a law or regulation. As to any section 407 action (insurance termination or cease and desist proceedings) FSLIC is to notify the appropriate State supervisory authority and name a period within which the authority may cause corrective action to be taken. If no such action is taken, a Federal district court is to decide the case and order appropriate action or inaction.

Banks—Federal Agencies. As to banks, the Comptroller of the Currency acts with respect to national banks and D.C. banks, the Federal Reserve Board acts with respect to member banks of the Federal Reserve System (except D.C. banks), and FDIC acts with respect to State banks not members of the Federal Reserve System but insured by FDIC (except D.C. banks). Each is the "appropriate Federal banking agency" as to banks within its respective jurisdiction.

Banks—State Authorities. State supervisory authorities over banks have parallel powers to those granted to State supervisory authorities over savings and loan associations. These apply to insurance termination and cease and desist order proceedings. If the State authority doesn't act to the Federal agency's satisfaction within a specified time, a Federal district court is to handle the case and issue appropriate orders.

Conclusion. This substitute bill is designed to grant cease and desist order power to Federal regulatory agencies in the bulk of the financial institution field while still affording adequate and timely Federal court review to aggrieved persons. It also recognizes the coequal sovereignty of Federal and State authorities in our dual banking and savings and loan systems by referring unsettled controversies to the judiciary for settlement.

SECTION-BY-SECTION ANALYSIS, H.R. 17703

Short title—Financial Institutions Supervisory Act of 1966.

Title I—Savings and loan association provisions.

Sec. 101—Revises section 5(d) of Home Owner's Loan Act of 1933 as follows:

(d)(1). Grants Federal Home Loan Bank Board enforcement power in its name and through its attorneys. Makes Board subject to suit by Federal association or other aggrieved person in Federal district court. Provides for process to be served on Board as in Federal Rules of Civil Procedure.

(d)(2)(A). Authorizes Board to issue notice of charges in a cease and desist order proceeding against a Federal association if by formal resolution the Board determines the association is violating or has violated within the past 2 years a law or regulation. Notice of charges states facts and fixes hearing date 30 to 60 days after service. The date shall be set earlier and may be later at association's request. An association not appearing at the hearing is deemed to consent to a cease and desist order. In that event or if on hearing the Board finds a violation, it may serve a cease and desist order. The order may be prohibitory or mandatory, or both and may require taking affirmative action to correct the violation.

(d)(2)(B)(1). Hearing is held in jurisdiction where home office of association is located, unless party otherwise consents.

Hearing is to be conducted by independent examiner or examiners under Administrative Procedure Act. Hearing is private and record is sealed unless party otherwise requests. Hearing is to be reasonably expedited. Within 90 days after Board notifies parties that it has the case for decision, it is to render a written decision, including findings of fact, on the hearing record, and serve an order on each party. The Board may modify the order to make it less onerous or may terminate it or set it aside unless a petition for court review is timely filed and the record of the proceeding is filed in court. Once a petition and record are filed in court, the Board can change the order only with court permission.

(d)(2)(B)(2). The Board and its representatives are authorized to give oaths, take depositions, issue and change subpenas and subpenas duces tecum. The Board may issue rules and regulations for the hearing. Witnesses and documents may be required at a designated place within each State or territory. Any party may apply to a Federal district court to enforce subpenas and subpenas duces tecum. Witnesses are paid fees and mileage as in Federal district courts. Expenses of the Board and FSLIC under subsection (d) are nonadministrative. Service by the Board may be by registered mail or personal service.

(d)(2)(C). A cease and desist order takes effect 30 days after service (one issued by consent takes effect as specified in the order). It remains effective until changed by the Board or a court.

(d)(2)(D). The Board may apply to a Federal district court to enforce an order the association fails to obey.

(d)(2)(E). Within 30 days after service of a cease and desist order, an association or aggrieved person may petition for review by a Federal district court. The Board is to file the hearing record in court on notice from the court. The court is given jurisdiction to determine both facts and law and enter appropriate judgment with regard to the cease and desist order. The court is to consider the hearing record, may take evidence and may conduct a de novo trial as to facts and law if circumstances so warrant. Appeals from court lie as in other cases.

(d)(2)(F). Filing a petition in court does not stay a cease and desist order, but the court may grant a stay in its discretion.

(d)(2)(G). An association or aggrieved person may apply to a Federal district court for an interlocutory injunction as to Board action after service on the association of a notice of cease and desist charges, if irreparable damage would otherwise ensue to the petitioner. The court may temporarily stay further Board action if the court order finds irreparable damage would occur otherwise and states the nature of the damage. Hearing of such an application is to be expedited.

(d)(2)(H). A court may allow an association or aggrieved person reasonable expenses and attorneys' fees payable from association assets.

(d)(2)(I)(1). A court may determine all questions of law or fact at issue without being bound by previous Board conclusions of fact or law.

(d)(2)(I)(2). An association or aggrieved person may bring administrative or court action without exhausting alternative administrative remedies.

(d)(2)(I)(3). An association not having its home office within a Federal judicial district may file suit in the District of Columbia Federal court.

(d)(2)(J)(1). Defines "cease and desist order" to include an order affirmed or modified under this subsection (d).

(d)(2)(J)(2). Defines "cease and desist order which has become final" and "order which has become final" as one where no petition for review has been timely filed or, if filed, where all rights to appellate review have terminated.

(d)(2)(J)(3). Defines "cease and desist order" as excluding rate control on savings

or loans, appointment or removal of personnel of associations, assumption of an officer or directors' managerial function, or assumption of a shareholder's or stockholder's prerogative.

(d)(2)(J)(4). Defines "territory" to include Puerto Rico, any U.S. possession and any place subject to U.S. jurisdiction.

(d)(3)(A). Specifies grounds for appointing conservator or receiver as (i) insolvency, (ii) willful and substantial dissipation of assets or earnings due to violation of law or regulation, (iii) willful and substantial violation of a cease and desist order, and (iv) concealment of records or assets. The Board has exclusive power to appoint a conservator or receiver on court order.

(d)(3)(B). Appointment of a conservator or receiver is to be made by the Board on order of the Federal district court in the jurisdiction where the association's home office is located.

(d)(3)(C). The court may allow the Board to appoint a receiver ex parte and without notice if (i) an emergency substantial and continuing dissipation of assets exists or (ii) the management cannot exercise validly effective control of the association. The association may then petition the court within 30 days for rescission of the appointment. The court may affirm the appointment or order the Board to terminate it.

(d)(3)(D). The court will allow the Board to appoint a conservator or receiver only if in the court's opinion a cease and desist order would not effectively protect the public, savers and FSLIC.

(d)(3)(E). Court proceedings regarding conservators and receivers are to be expedited.

(d)(3)(F). The Board may appoint a conservator or receiver without notice or hearing if the board of directors of an association consents by resolution.

(d)(3)(G)(1). A conservator has the powers of members, directors and officers of the association, and may operate the association in its name and conserve assets as authorized by the Board. FSLIC shall be named as receiver. FSLIC may buy assets at its own sale as receiver, with Board approval.

(d)(3)(G)(2). Appointment of a receiver constitutes a default under title IV of the National Housing Act.

(d)(3)(G)(3). The Board may petition the court to replace a conservator or receiver without notice or hearing. This will not prejudice the association's right to review of the appointment.

(d)(3)(H). The Board is given power to make rules and regulations for reorganization, consolidation, merger, liquidation and dissolution of associations; also for associations in conservatorship or receivership; and for conduct of conservators and receivers. The Board may provide for association members, officers and directors to exercise functions during conservatorship or receivership.

(d)(3)(I). Refusal to surrender property, business and assets to a conservator or receiver is punishable by fine up to $1,000 or imprisonment up to 1 year or both.

(d)(4). Members, directors and officers of an association in office at the time any proceedings are begun under subsection (d) may contest them at association expense for reasonable expenses and attorneys' fees, which the Board is to allow.

(d)(5)(A). Except with Board consent, no one may serve as director, officer or employee of a Federal association or as officer or employee of the Federal Home Loan Bank Board who within the preceding 5 years has incurred a final conviction for felonious dishonesty or breach of trust.

(d)(5)(B). On conviction of willful violation, the offender is subject to up to $100 fine per day of offense or up to 10 days imprisonment per day of offense or both.

Section 102. Amends section 407 of the National Housing Act by preserving the present provisions in the statute for termination of insurance as subsection (a) and adding the following new subsections (b) and (c):

(b)(1). Before starting insurance termination proceedings, if FSLIC by formal resolution determines an institution with accounts insured by FSLIC is violating or has within 2 years violated a law or regulation, FSLIC may serve a cease and desist notice of charges. The notice is to state the facts and fix a time and place for hearing.

The time will be from 30 to 60 days after service of the notice (but shall be earlier and may be later if the institution requests). Nonappearance at the hearing is deemed consent to the cease and desist order. Upon such consent or after finding in the hearing a violation as charged, FSLIC may issue a cease and desist order. The order may contain prohibitory or mandatory provisions or both and may require affirmative corrective action.

(b)(2). The hearing is to be held in the judicial district of the institution's home office unless the institution otherwise consents. The hearing is to be conducted by an independent examiner or examiners under the Administrative Procedure Act. The hearing is to be private and the record sealed unless the institution requests a public hearing. The hearing shall be reasonably expedited, with FSLIC's written decision to be made within 90 days after it notifies the institution of submission of the case to FSLIC. The decision is to include findings of fact. A cease and desist order shall be served by FSLIC on each party to the hearing. FSLIC may make the order less onerous or terminate it or set it aside if no petition for court review is timely filed and until the hearing record is filed in court. Thereafter FSLIC can change the order only with court permission.

(b)(3). FSLIC and its designated representatives may administer oaths, take depositions, issue and change subpenas and subpenas duces tecum, and make rules and regulations for cease and desist order proceedings. Witnesses and documents may be required at a designated place in each State or territory. Any party may request court enforcement of subpenas or subpenas duces tecum. Witnesses receive the same fees and mileage as Federal district court witnesses. FSLIC expenses under subsection (b) are nonadministrative expenses. Service by FSLIC may be by registered mail or personal service. Copies of any notice or order issued by FSLIC under section 407 are to be sent to appropriate State supervisory authorities.

(b)(4). A cease and desist order is effective 30 days after service (a consent order is effective when specified). An order remains effective until changed by FSLIC or a reviewing court.

(b)(5). If no petition for court review is filed, FSLIC may seek court enforcement of an order an institution fails to obey.

(b)(6). Within 30 days after a cease and desist order is served, an institution or aggrieved person may petition for review by the Federal district court in the jurisdiction where its home office is located or in the District of Columbia. The court is to send a copy of the petition to FSLIC and the appropriate State supervisory authority. FSLIC will file the hearing record in court. The court is to determine issues of law and fact and enter judgment upholding or setting aside the order. The court is to consider the hearing record and may take evidence, and try the facts and law de novo if circumstances so warrant. Appeals lie as in other court matters.

(b)(7). Filing a petition for review will not stay the cease-and-desist order, but the court may do so.

(b)(8). An institution or aggrieved person may apply to court for an interlocutory injunction against FSLIC action after service of notice of cease and desist order charges if irreparable damage to the petitioner would otherwise ensue. The court may issue a temporary stay upon specific finding that irreparable damage would otherwise ensue. Hearing of the application by the court is to be expedited.

(b)(9). The court may allow parties to actions under subsection (b) reasonable expenses and attorneys' fees payable from institution assets.

(b)(10). In any action under subsection (b) the court has power to determine questions of law and fact without being bound by previous conclusions of law or fact made by FSLIC.

(b)(11). Petitioners need not exhaust alternative administrative remedies before proceeding under subsection (b).

(b)(12). Institutions with home offices outside a Federal judicial district may sue in the Federal district court in the District of Columbia. Service may be by registered mail.

(b)(13). In any action under section 407 involving a State-chartered institution, FSLIC is to notify the appropriate State supervisory authority of its intent to take action and the grounds for action. Unless satisfactory corrective action is taken under State auspices within an appropriate time specified by FSLIC, it may within 30 days take the case to the Federal district court in the jurisdiction where the institution's home office is located. The complaint will state the action FSLIC wants to take against the institution, the grounds therefor, the State authority's failure to accomplish satisfactory corrective action, and will pray for appropriate relief. The institution and the State authority are necessary parties to the suit. The court is to consider the facts, take evidence, try facts and law de novo, and issue appropriate orders, which may include instructions to FSLIC and State authorities to take or withhold further action.

(b)(14). Incumbent personnel of an institution may contest proceedings for insurance termination or cease and desist orders at the institution's expense for reasonable expenses and attorneys' fees.

(b)(15). Except with FSLIC's written consent, no one may serve on the staff of an institution or FSLIC who has within 5 years been convicted or is hereafter convicted of felonious dishonesty or breach of trust.

(b)(16). For conviction of willful violation of prohibition against such service, the offender is subject to a fine up to $100 a day for each day of offense or imprisonment up to 10 days for each day of offense or both.

(c)(1). Defines "cease and desist order" to include one affirmed or modified.

(c)(2). Defines "cease and desist order which has become final" and "order which has become final" to mean one where no petition for review has been timely filed or if filed, where appellate rights have terminated.

(c)(3). Defines "cease and desist order" to exclude one limiting dividend or interest rates on savings or loans in institutions, appointment or removal of institution personnel, assumption of any managerial function of officers or directors of institutions, or assumption of any prerogative of institution shareholders or stockholders.

(c)(4). Defines "territory" to include Puerto Rico, any U.S. possession or any place under U.S. jurisdiction.

TITLE II—BANK PROVISIONS

Section 201. Transfers the definition of respective jurisdiction of the Comptroller of the Currency (national and D.C. banks), the Federal Reserve Board (State member insured banks other than D.C. banks), and FDIC (State nonmember insured banks other than D.C. banks) from section 7 of the

Federal Deposit Insurance Act (which deals only with reporting change of control of insured banks) to section 3 of that Act (which applies to the entire Act).

Section 202. Amends section 8 of the Federal Deposit Insurance Act (dealing with termination of insurance) by inserting new subsections (b) through (n) after (a) as follows:

(Note that all existing provisions of section 8, now contained in subsections (a) through (d) are retained. These deal with (a) insurance termination proceedings, (b) termination of Federal Reserve membership upon insurance termination, receivership for national banks upon insurance termination, and termination of insurance upon ceasing Federal Reserve membership, (c) insurance termination of banks receiving no deposits other than trust funds, and (d) insurance termination of bank whose liabilities are assumed by another insured bank.)

(b) The agency may issue a cease and desist notice of charges if by formal resolution it determines an insured bank has violated within 2 years or is violating any law or regulation. The notice is to state the facts and fix a time and place for hearing. The hearing will begin from 30 to 60 days after the notice of charges is served. It shall begin earlier and may begin later by bank request. The bank's nonappearance at the hearing is deemed consent to the cease and desist order. On such consent or on finding a violation at the hearing, the agency may serve a cease and desist order on the bank. The order may be prohibitory or mandatory or both and may require affirmative corrective action.

(c)(1) The hearing is to be held in the Federal judicial district in which the bank's home office is located, unless the party consents otherwise. It is to be held by an independent examiner or examiners under the Administrative Procedure Act. The hearing is private and the record sealed unless the party requests a public hearing. The hearing will be reasonably expedited. Within 90 days after the agency notifies the bank that the case has been submitted to it, the agency is to render a written decision containing findings of fact and serve a cease and desist order upon each party. Unless and until a petition and the hearing record is filed in court, the agency may modify the order to be less onerous or may terminate it or set it aside. Thereafter it may do so only with court permission.

(c)(2) The agency or its designated representatives may administer oaths, take depositions and issue and change subpenas and subpenas duces tecum. The agency may make rules and regulations for the hearing. Witnesses and documents may be required at any place in each respective State or territory. Any party may ask a Federal district court to enforce a subpena or subpena duces tecum. Witnesses are paid Federal district court fees and mileage. Agency expenses under this section 8 are nonadministrative expenses. Service may be by registered mail or personal service.

(d) A cease and desist order takes effect 30 days after service (except a consent order takes effect when specified). An order remains in effect until changed by the agency or a reviewing court.

(e)(1) If no petition for court review has been filed, the agency may apply to a Federal district court to enforce the cease and desist order if the bank fails to obey the order.

(e)(2) Within 30 days after a cease and desist order is served, a bank or aggrieved person may petition for review in the Federal district court in the jurisdiction where the bank's home office is located or in the District of Columbia. Upon receipt of a copy of the petition from the court, the agency is to file the hearing record in court. The court is to determine the issues of law and fact and enter judgment upholding or setting aside the order, in whole or in part. The court is to consider the hearing record and may take evidence and conduct a trial of facts and law de novo if circumstances so warrant. Appeals lie as in other court matters.

(e)(3) Filing a petition in court will not stay the cease and desist order, but the court may do so.

(f) A bank or aggrieved person may apply for an interlocutory injunction after service of notice of cease and desist charges, where irreparable damage would otherwise ensue to the petitioner. The court may order a temporary stay of further agency action on the charges and shall include a specific finding of irreparable damage. Hearing of the application is to be expedited.

(g) A court may allow any party to proceedings under this section 8 reasonable expenses and attorneys' fees payable from bank assets.

(h)(1) Under this section 8, a court may determine questions of law or fact without being bound by previous agency conclusions of law or fact.

(h)(2) A bank or aggrieved person may bring any proceeding under this section 8 without exhausting alternative administrative remedies.

(h)(3) A bank having a home office outside a U.S. judicial district may file action in the Federal district court for the District of Columbia. Service may be by registered mail.

(i) In action under this section 8 involving a State insured bank (except a D.C. bank), the agency is to notify the State supervisory authority of its intended action and grounds therefor. Unless the State authority brings about satisfactory corrective action within an appropriate time the agency fixes, the agency may within 30 days file a complaint in the Federal district court in the jurisdiction where the bank's home office is located. The complaint is to state the action the agency wants to take against the bank and the grounds therefor and is to note that in the agency's opinion the State authority has not accomplished satisfactory corrective action. The complaint is to pray for appropriate relief. The bank and the State authority are necessary parties. The court is to consider facts, take evidence, conduct a trial de novo of facts and law and may issue appropriate orders. These may include orders to the agency or the State authority or both to proceed with or refrain from further action.

(j) Incumbent bank personnel may contest any proceeding under this section 8 and the agency is to allow them reasonable expenses and attorneys' fees payable from bank assets.

(k)(1) Except with written consent of the agency, no one may serve on the staff of a bank or agency who within 5 years received a final conviction or who is hereafter finally convicted of felonious dishonesty or breach of trust.

(k)(2) Upon conviction of willful violation of the prohibition in paragraph (k)(1) above, the offender is subject to a fine up to $100 for each day of offense or imprisonment up to 10 days for each day of offense or both.

(l) Repeals section 19 of Federal Deposit Insurance Act dealing with same matters as subsection (k) above.

(m) No conservator or receiver of an insured bank is to be appointed unless in the agency's opinion a cease and desist order would not effectively protect the public, depositors, or the agency.

(n)(1) Defines "cease and desist order" to include an affirmed or modified order.

(n)(2) Defines "cease and desist order which has become final" and "order which has become final" to mean one as to which no petition for review has been timely filed or, if filed, all rights of appellate review have terminated.

(n)(3) Defines "cease and desist order" to exclude control of interest rate on bank deposits or loans, appointment or removal of bank personnel, assumption of a bank officer's or director's managerial function, or assumption of a bank stockholder's prerogative.

WHY TOLERATE THE EXCESSES OF UNIONS?

Mrs. REID of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, I call to the attention of the persons who read the CONGRESSIONAL RECORD, and especially the Members of Congress, an editorial in the August 26, 1966, issue of Life magazine. It is well past the time when the Congress should seriously ask, "Why tolerate the excesses of unions?" Life magazine is to be commended for laying the facts on the line. For those who have missed this issue, and for Mr. Meany, I ask that this editorial be included in the RECORD.

Again, I must point out the double-standard policy of the unions—a policy which comes to the Congress and demands controls over all segments of our social and economic life, but yells "hands off" when strike settling legislation is mentioned. This is typical of the way unions believe collective bargaining should operate.

The editorial follows:

WHY TOLERATE THE EXCESSES OF UNIONS?

No sooner was the air-line settlement announced, and even before the vote on it, than Congress abandoned its reluctant consideration of special legislation to stop the strike—the legislation that George Meany had told them "you'll regret for the rest of your lives." The settlement took Congress off the hook. But even if the strike is over, the national problem it raised is very far from solved.

The President kept talking about that "third party at the bargaining table"—the public interest in a quick settlement on noninflationary terms. By the end, the President, supposedly representing this public interest, was in effect alone at the table with the machinists' spokesman, P. L. Siemiller, who could not even vouch for his membership ("the men decide"). The third offer made under presidential authority was neither quick nor noninflationary. But by then the President needed peace at any price. He was forced to surrender, having exhausted the influence of his office, to 35,400 men out on strike.

That's no way to run an economy; nor is it the worst recent example of labor's power to hurt the public while defying its officials. The transit strike that all but strangled New York last winter was even starker evidence that the more muscular the union's tactics, the more it wins. That strike was illegal to begin with; Mike Quill tore up court injunctions on TV; the state legislature retroactively amnestied the strikers; and the courts quashed $100 million in damage suits against the union. Public outrage was such that the President inserted into his State of the Union message a last-minute promise to ask for emergency strike

legislation. But he hasn't done so because union labor, along with its power to disrupt the economy, has a basilisk—and probably overrated—power to scare politicians like rabbits in an election year.

George Meany said during the air-line strike that it only upset "the people who write editorials," about whom "I don't give a damn." Yet public concern about strikes is a little deeper than that. According to Gallup, 40 percent think labor should be more strictly regulated, as against 36 percent who don't. So Walter Reuther is probably right that "organized labor is in deep trouble."

The brutality of the strike weapon is only half the reason for this trouble. A maritime strike, for example, affects not only the convenience and pocketbooks of travelers and shippers, but the whole nation's foreign policy, balance of payments and value of the dollar. The latter are also affected by wage increases forced by labor's power without a strike.

Why do we put up with it and what is to be done? We put up with it because even though Secretary Wirtz keeps declaring that collective bargaining is "on trial" or "at stake," neither he nor anyone else has described a happier practical alternative. Collective bargaining has been our national policy for 30 years. What can and should be done is to refine and reform the laws that govern it.

The problem is twofold. First to abate the strike menace; second, to get labor contribution to inflation under control. To forestall the most damaging strikes, changes in the Taft-Hartley law were recommended by the President's Advisory Committee on Labor-Management Policy as far back as 1962. They would give the President more authority to intervene in disputes threatening the national health or safety, including the ultimate power to recommend actual settlements. In cases involving transportation, he has these powers now and they failed to prevent the air-line strike. Thus even this strengthening of Taft-Hartley would not eliminate the necessity of an appeal to Congress for special resort either to compulsory arbitration, which labor abhors, or to government seizure of the industry, which management doesn't like.

Yet neither of these ultimate sanctions should be written permanently into an anti-strike law. If one is, it becomes a determining factor in any negotiation whose failure it is supposed to rescue. Presidential intervention always tends to undermine the bargaining process, but when it is essential the rules for it should be as flexible as possible. That is why the Slichter law in Massachusetts is regarded as a model. It gives the governor a wide choice of alternative emergency procedures which the President also needs. As Professor Lester of Princeton says, "Government intervention . . . is an art."

As for the problem of restraining inflationary wage demands, that too resists too-rigid solutions. The President's "guideposts" policy for productivity increases worked better before it was reduced to the formula that now lies in smithereens.

There have been hopeful steps toward more rational wage agreements in several industries, such as the steel industry's round-the-calendar negotiating system, scuttled by the Abel regime but worthy of revival. Wage costs would probably become stabler if changed from an hourly to a salary basis. But refinements of this kind are no substitute for the discipline of market forces, and the government should do everything it can to let these work. If the rank and file of labor is now more strike-happy than usual, it is because the government let inflation get a running start through lax fiscal policy, and because of its overpreoccupation with "full employment," now better described as a very tight labor supply.

Labor would also be less strike-happy if its bargaining power were less monopolistic. Any certified union is a legalized monopoly; but the AFL–CIO lobby wants even more of this kind of power. Its chief legislative demands are the repeal of Taft-Hartley's Section 14(b), which would extend the union shop, and the relaxation of the ruling against secondary boycotts. Congress has done well to duck the pressure behind these demands. It would do better to consider how the antitrust laws can be made to apply to more union restraints of trade.

The U.S. labor movement is not the place to look for good legislative ideas. With some exceptions, established unions are a bureaucracy whose ideas are rooted in the Great Depression. With some exceptions, they are more hindrance than help to equal job opportunity for Negroes, and they have done little to organize the lowest-paid wage earners, such as farm labor.

The collective bargaining system is basically fair. Congress should not try to change it radically beyond giving the President more leeway to handle emergency strikes, and giving unions less monopoly power instead of more. Their power runs particularly contrary to the public interest when it obstructs progress through automation. We shall need more of that progress, not only to free up the inflationary labor market, but to surmount the impending strain on all our resources.

PROFESSIONAL AND HIGH SCHOOL FOOTBALL

Mrs. REID of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. GERALD R. FORD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, the exciting sport of professional football is rapidly approaching a crossroads which may shape its future for years to come. And whether we in the Congress appreciate the fact or not, millions of fans across the country may hold us responsible for the outcome.

I refer to the recently announced plan of the clubs of the National Football League and the American Football League to combine their operations into an expanded nationwide league. Whether this plan succeeds or fails is the issue which will govern the future of pro football.

And it has now become clear that the plan is in immediate jeopardy unless we pass appropriate legislation—at this session of Congress.

At the same time, a problem of similar urgency has developed with respect to high school football. I am certain my colleagues join with me in expressing appreciation for the great value of high school athletics in building good health, good sportsmanship, and good citizenship. Scholastic authorities across the country are expressing concern that support for high school athletics may be undermined if professional football games are televised on Friday nights, the traditional night for high school football.

Accordingly, Mr. Speaker, I am today introducing legislation which will help to meet both of the problems, in professional football and in high school football. I would like to explain the background and the necessity for this bill.

In the past, as a new professional sports league has become established alongside an older league, a clear pattern has often set in. The strong teams in both leagues became stronger, and the weak teams in both leagues became weaker; eventually the strong teams in the two leagues combined in a new organization. But the weak teams—and their fans and their communities—were left out in the cold.

The first signs of a pattern of deterioration were just beginning to appear in professional football before the new plan was announced. In recent years the weaker teams in both leagues had substantially withdrawn from the market for new players because of chaotic bidding for untested rookies, with offers of more than half a million dollars. There were widespread predictions that several franchises in both leagues faced eventual dissolution or transfer.

But the leaders of the National and the American Football Leagues have acted most responsibly and creatively to forestall this development and, instead, to expand and improve their sport. Their plan for a combined league provides for continuing all 24 teams in their present locations, averting the losses to hometown fans and to local economies which otherwise might occur.

Moreover, the plan calls for expanding the total number of teams to 26 by 1968 and probably to 28 teams later—bringing pro football to additional cities and regions of the country where it is eagerly awaited. And the plan includes many provisions which would give the weaker teams in both existing leagues a better opportunity to rebuild and to make a run for the championship. They would have a better chance to attract new playing talent. They would share equally in the large television revenue. They would benefit from exciting new contests through interleague play.

Topping all this would be the proposed world championship game between the champions of the American and National Leagues. Many commentators have described this as the premier sports event of our times.

In summary, professional football has evolved a plan to improve competition on the field, to assure more and better football games for millions of fans across the country. And the fans have responded to these plans with great enthusiasm and anticipation.

There is one major problem, and this is where the Congress comes in. There is no doubt that the operation of professional football is beclouded by confusion and uncertainty under our antitrust laws. Statutes designed for conventional business operations are simply inappropriate for professional team sports, where teams must get together in leagues and develop coordinated practices in the interest of better sport in the league as a whole. If I may interpret the court decisions rather freely, they seem to appreciate this; but they insist it is up to Congress, not the courts, to spell out

the rules that are appropriate for professional team sports.

Congress has been trying to do this for many years, but it is a difficult and complex task. The Senate last year passed an excellent and comprehensive bill—S. 950—which would clarify antitrust rules in some detail for all professional sports. It is most unfortunate that this bill has been dormant in the House. Now we no longer have the time to consider carefully a bill of such far-reaching scope.

But there is one thing we can do this year, and one thing I believe we must do. We can yet enact a bill which would simply permit professional football to proceed with the plan for an expanded league, leaving larger issues for later consideration. In the absence of such legislation, the football plan might well founder because of the uncertainty as to the application of the antitrust laws.

In fact, press reports over the weekend made it clear that legislative clearance is required to avoid the prospect of endless litigation. It is not enough for you or me, as Members of Congress, to conclude that the plan is desirable and proper and should be put into effect. In the present climate of antitrust uncertainty, the mere prospect of a prolonged period of legal challenge and expensive litigation could understandably deter responsible officials from proceeding with substantial long-range commitments, some of which need to be made right now.

I believe the public wants to see the championship game this January, wants to see interleague play in the next exhibition season, wants to see existing franchises preserved and new ones added, and wants the more balanced and exciting competition which the new plan can provide. So I am introducing today a bill which would permit the plan to take effect.

At the same time, my bill would foster high school sports as well as professional football. It would restrict the network televising of professional football on Friday nights and Saturdays, which is high school football time across the country.

I am informed that pro football games are scheduled on Friday nights only in exceptional circumstances, and that the televising of any such games is already severely limited. But I am certain we can all agree that high school athletic authorities should be given additional assurance—the same protection, incidentally, which has already been provided for years to our colleges.

Mr. Speaker, I recognize that our agenda will be crowded in the remaining days of this session; but I also know the Congress can act quickly on a measure that clearly will benefit many millions of fans in every section of the country. Our failure to act would bring sore disappointment to these same millions. I urge that we proceed quickly, while there is yet time.

"NEW REALITIES FOR THE AMERICAN CITY"—ADDRESS BY MAYOR JOHN V. LINDSAY, OF NEW YORK

Mrs. REID of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KUPFERMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, on August 22 New York City's Mayor John V. Lindsay testified before the U.S. Senate Subcommittee on Executive Reorganization on the subject of "The Crisis of Our Cities"—see the CONGRESSIONAL RECORD of August 26, page 20898.

He has returned to Washington and continued the dialog at the Urban America Conference held here on Monday, September 12. The title of his most recent talk is "New Realities for the American City," and I commend it to my colleagues.

Of special interest will be Mayor Lindsay's urging that—

> The Congress should establish, as a matter of the highest priority, a Committee on Urban Affairs in both the Senate and the House.

Hopefully, the leadership in both parties will soon make the announcement that a standing Committee on Urban Affairs will be established in the next Congress.

NEW REALITIES FOR THE AMERICAN CITY

(Remarks by John V. Lindsay, Mayor of the City of New York, at the Urban America Conference, Washington, D.C., Sept. 12, 1966)

I am delighted to be with you and honored to be your luncheon speaker today.

I have long admired Urban America's predecessor, ACTION, the American Council to Improve our Neighborhoods, for ACTION was working very effectively in the vineyards of our cities for many years before it became fashionable—as it is today—to discuss the enormous problems confronting our urban society. I commend ACTION and Urban America for the role they have played and are continuing to play in making this national problem a matter of national concern.

Another reason I am happy to participate is that this conference is dealing with nothing less than the single greatest challenge faced by western civilization. That challenge, plainly stated, is whether the cities around which Americans are gathering can be made to work.

If the answer is no, we are destined to witness the decline, not only of our cities, but the decline of an entire country.

For as Senator RIBICOFF has said: "For better or for worse, our nation's future will be decided in our cities."

If this thesis is sound—and I believe it is—the Federal government has not yet fully accepted its ramifications.

It was not until last year, for example, that the Department of Housing and Urban Development was created to give cities a voice at the cabinet table.

It was only two years ago that the Anti-Poverty Program was enacted—at a time almost 2 million people were living in poverty in New York City alone.

Since passage of the Interstate Highway Act, a full decade ago, thousands of miles of freeway were constructed, but the cities' mass transit systems fell deeper into debt and obsolescence without a dime of Federal assistance until a meaningful Mass Transportation Act was passed in 1964—and even then the allocations were meager. Moreover, the 12½ per cent limitation placed on individual states was indefensible; the big cities need help for this program and many others, and need it fast.

We must make up for years of lost time. In New York City, I might point out, not a single mile of new subway has been put into use during the past 30 years.

In housing, welfare and education, particularly, the Government has made significant and appreciated contributions to the cities. But in air pollution control, in water pollution abatement, and in a host of other matters critically important to the cities, the legislative and executive branches often have moved either belatedly or parsimoniously. A current illustration is the Demonstration Cities Act, which appears to be blockaded in the House although it involves only a relatively small financial commitment to the intensifying needs of the bypassed city ghetto.

The tardiness of Congressional action directed toward the solution of urban problems is partly attributable to the philosophic and legislative dislocations caused by this country's transition from a rural to an urban society.

For a century and one-half, the Federal Government concerned itself chiefly with the development of the South, the Midwest and the Far West. Our domestic legislation was devoted to homesteads, land-grant colleges, dams, highways, parks, mining and crops. These were the commanding interests of a young and growing nation.

Only within the last 10 years has our government truly begun to channel its power and resources into the problems of the cities, which should be manifest to anyone who has ever served in Washington.

But even during recent times, Congress usually has moved with misgivings or restraint. In my judgment, the principal reason is a pervasive suspicion that Federal funds spent in the cities are likely to be dissipated or diverted; in short, that Federal allocations will be wasted because the cities themselves are incapable of honest, conscientious, progressive administration.

As a former Congressman, I know the suspicion exists. As a Mayor, I believe we are proving it wrong in New York City. For I think we are facing up to the realities of governing New York City, and one of those realities is that we must put our own house in order to obtain the state and Federal assistance we demonstrably need if our cities are to become the seat of this country's culture and civilization.

I'd like to review for you some of the programs and policies we have undertaken:

First, we are engaged in the most comprehensive reorganization of a municipal government initiated during this century. We are streamlining and consolidating the city's multitudinous departments, agencies and sundry subdivisions into a unified administrative organization designed to encompass logical areas of functional responsibility.

City government should reshape itself to the demands of rapid and complex change. Yet we found well over 50 separate departments and agencies in New York's hierarchy, each directly responsible to the Mayor, many of them with overlapping or competing jurisdictions.

Five different agencies had some degree of control over highways. More than seven separate bodies made policy on housing. More than a dozen Federally-funded manpower programs were operating with no overall co-ordination and no central supervision by any one city official.

We are regrouping the city's departments and agencies under 10 major administrations. Most recently, we established a Human Resources Administration. It will embrace the Welfare Department and Youth Board, as well as two new departments: One for Community Development which replaces the splintered, confused Anti-Poverty structure, and one for Manpower Training and Career

Development, which will give coherent direction to our manpower and employment programs.

We also have consolidated our financial and health structures into separate administrations, and are trying to create a workable Transportation administration. This last proposal has run into fierce opposition, but it is difficult to see why:

Today, the Traffic Department has jurisdiction over street signs and stop lights; the Highway Department has jurisdiction over the streets themselves; and the Parks Department controls the parkways. The Public Works Department is in charge of some of East River Bridges, but the Triborough Bridge and Tunnel Authority operates the major bridges and tunnels. Finally, the Transit Authority operates the buses and subways, but all three subway lines have different names.

The Triborough Authority makes money every year, and the Transit Authority loses money every year. Every reasonable argument points toward a consolidation, but so far we have been unsuccessful. Many mayors have found that they do not have enough "clout" in governing their cities. The special interests, unhappily for us, sometimes seem to have more.

As important as reorganization of the city bureaucracy is, it can do no more than create an efficient framework for administration. Its success will be determined by the quality and energy of the administrators themselves. We have searched throughout the country for city executives with those characteristics.

As someone once said: "People are our only product; and by the quality of those you attract shall you succeed or fail."

I think we've succeeded, by and large, in attracting to city service a new breed of what I call "urbanists"—experienced, perceptive men and women who are not awed by the challenge facing our cities and our country, but who are ready and anxious to take them up.

To give impetus to New York City's government, we have sought out the most talented men in their fields—whether they were employed by a city, state or Federal government, or by private business or industry. We engaged these professionals without regard to politics. I believe we are in the forefront of the cities in putting together a new breed of top level urban executives whose perspectives reach beyond the boundaries of any one city.

I might say in passing that to induce executives to come to New York we often had to offer top salaries—higher than had been paid for the position. Even then, we often were frustrated by the freezing-in of pension systems. I think that some way should be developed to allow administrators to transfer between city and Federal positions without forfeiting pension benfits.

For too long, local government has been viewed as the backwater of government service. The glamour, the prestige and the rewards were to be found in the Federal government or in state government; local government has been thought of as the province of the politicians. We're working to dispel that concept, which accounts for much which is wrong with our cities today, and we're having some luck in doing so.

Earlier, I discussed the centralization of city administration, a policy which is not as inconsistent as it may appear with the next policy I'd like to discuss, which is the decentralization of city services.

Consolidation of decision-making in a bureaucracy as large as New York City's can result in a remote, unresponsive, largely invisible government. It is an obvious danger in New York, which has almost 300,000 employees, 800 schools, 76 police precincts and 21 municipal hospitals, all of them administered from City Hall. So in New York we have taken several steps to bring the activities of city government closer to its citizens:

The Buildings Department has started to place its inspectors in local offices. The Welfare Department has opened its first satellite welfare center. Seven community progress centers are operating in target areas designed under the anti-poverty program. The Health Services Administration is designing comprehensive neighborhood health clinics for low-income groups.

And we have opened the first of our "neighborhood city halls" in East New York. The function of these offices is to give residents a direct line into City Hall to transmit complaints, problems and recommendations.

In summary, we in New York are adopting what Bill Slayton has long called "the entrepreneurial approach." The phrase denotes a positive, dynamic, locally-oriented city administration. It envisions a Mayor who utilizes the best elements of the business world in stocking, merchandising and delivering city services to those who need them.

Here's a specific example of how we are implementing that guideline in New York City: Ours is an intensively-developed city, and lack of building sites has long been blamed for the failure of new housing construction to keep up with the demand.

The fact is, however, that thousands of vacant lots suitable for development are scattered throughout New York, and the city itself owns many of them. This property is a great city resource—or, to follow Mr. Slayton's analogy, a commodity. We intend to market this land through a city-wide program which, in effect, will establish a land bank.

Heretofore, the city has waited for individual housing sponsors to come to City Hall with proposals for housing construction on individual parcels, with all the haphazardness that process implies. Now the city is identifying the sites, deciding where housing is needed, assigning them priorities and inviting sponsorship by the private sector. The result, we hope, will be to induce developers to produce new housing where both they and the public can profit.

In describing what we in New York City are doing to cope with the crisis in our cities, I hope I have not been certifiably self-serving. My objective has been to report to you who live in other cities how New York is attacking its many difficulties in the hope that it might contribute to solutions elsewhere.

And if the dragons we keep are larger than yours, it is because our size has not only magnified them, but created them earlier. Everything that is wrong with New York City will, eventually, become a failing of virtually every one of our cities. Thus I think it is useful to exchange views and comments on how we are confronting our increasingly mutual problems.

The basic problem, I believe, is the problem of the poor. Almost every one of New York City's social problems—crime, unemployment, disease, illegitimacy, narcotics addiction, welfare dependency, alcoholism, the numbers racket and racial conflict—are concentrated in the poor neighborhoods.

I am not among those who subscribe to the theory that the basic difficulty with cities is that too many people are living in them and that the answer is an exodus to the healthful, bucolic provinces of our farmlands.

Nor do I accept the proposition that the problem of the poor essentially consists of the problems of the Negro and that the solution is simply that of providing better education.

The poor need more than an education. They need clean housing they can afford. They need jobs. They need more enlightened welfare policies. They need readily-available medical services. They need a voice in the administration of governmental programs created for them. They need protection from junkies, extortionists, and crooked merchants, and they need to know hope—hope that they can progress in our society as fast and as far as their abilities and ambitions will carry them.

There is no single solution to the burden placed upon our cities by the poor, the disadvantaged or the deprived. If the answer can be stated in a single word, that word is money, for all of the needs I have enumerated can be met only with vast amounts of government funds.

New York City—despite the adoption of a major new tax program this year—does not have the money required. Nor does New York State. The only source is the Federal Government.

By now, the argument of American mayors for more Federal money is becoming somewhat shrill, if not hackneyed, and I shall not take up your time in a repetitive plea for Federal assistance. I do, however, want to stress three points:

First, the cities' appeals for Federal aid sometimes have been viewed as singlemindedly selfish, issued without regard to the needs of the remainder of the nation. New York City, in particular, has been accused of wanting much more than its fair share of Federal revenues.

The facts contradict the criticism. The New York City metropolitan area contributes almost $15 billion a year to the Federal Government in personal and corporate income taxes. The figure represents almost 15 per cent of all Federal income tax collections, yet it does not include revenues from the Connecticut or New Jersey areas which make up greater New York City.

In any one year, New York City has never received as much as $1 billion in direct or indirect Federal assistance. The total this year, for operating and capital expenses combined, will be about $820 million, or less than 6 per cent of the area's contributions to the Federal Government in income taxes alone.

Thus it is not that New York City is demanding a disproportionate share of Federal expenditures. On the contrary, New York City has been financing innumerable Federal spending programs in other jurisdictions throughout the country.

I think these statistics should be borne in mind when assessing the merits of New York City's claims upon the Federal treasury.

Second, the troubles New York City faces—and this is true in almost every major city—are often regional in nature and susceptible only to regional solutions. Air pollution sweeping into New York from New Jersey is one example. The pollution of the Hudson River by Upstate communities is another. The strangulation of traffic and the storied inefficiency of rail service in the New York-Connecticut-New Jersey complex is a third.

Regional co-operation, here and elsewhere, normally fails to achieve constructive, clear-cut remedies to regional problems, both because of the competing interests of the governmental units involved and because no individual jurisdiction has the finances or the power to impose area-wide decisions.

The Federal Government, however, has both resources, and it can compel cities, counties and states to hammer out regional agreements remedying regional problems. I believe the Federal Government should be more active in this respect, particularly matters involving pollution, transportation and planning.

Third, the Congress, despite the passage of legislation creating HUD, has not organized itself to deal effectively with the cities of this nation. Objectively viewed, it is almost astonishing that of 48 standing Congressional committees, none is charged with overseeing urban affairs. We have an influential, well-staffed Committee on Agriculture to represent the farms, but committee-level representation of the total needs of the cities

where 70 percent of America lives is nonexistent.

A concerted attack upon the many deficiencies of this nation's cities cannot be carried out in bits and pieces of legislation, distributed among various committees for hearings, evaluations and reports to the floor. I think that legislation concerning our cities is fully as important as legislation affecting the Department of Defense, yet it is inconceivable that the House and Senate would have no committees on Armed Services. That, however, is the approximate plight of the cities.

Accordingly, I recommend that the Congress should establish, as a matter of the highest priority, a Committee on Urban Affairs in both the Senate and the House.

In conclusion, I think that all levels of government, beginning with the men in our city halls, should face up to reality. Most of our cities are in varying degrees of crisis, and most of them do not have the financial ability to pull themselves up by their bootstraps. New Yorkers, it should be noted, are the most heavily-taxed city residents in America.

We need help from the Federal Government and—as the emerging centers of an urban nation—we are entitled to it. Obtaining fresh revenues, however, may depend on our willingess and ability to reorganize, improve and reinvigorate city government. It is not an easy task, as I can testify to from my own experience, but it is one which is terribly important both to our cities and to our country.

For I would not want the United States during the coming years to be described by future generations as a society that stood admidst the filth, the oppression and the violence of the slums * * * and shot rockets at the Moon.

THE FLORENCE AGREEMENT

Mrs. REID of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KUPFERMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, I was pleased to see that H.R. 8664, to implement the Florence agreement, signed by the United States in 1959 and consented to by the Senate in 1960, passed the House. My own bill on the subject is H.R. 16054. My statement should and does also cover support of the Beirut agreement for audiovisual devices.

The history of the Florence agreement goes back to the 1949 General Conference of the United Nations Educational, Scientific, and Cultural Organization—UNESCO.

I believe the agreement was a milestone in the maturation of the 50 nations that signed it.

Economic barriers on imports pertaining to educational and cultural materials serve no purpose in the 20th century. No nation can afford to place itself in political isolation, and with stronger reason, a nation cannot and should not establish a tariff schedule that forces its people into a state of cultural isolation.

The effect of the bill would not be harmful to domestic economic interests. Its greatest effect would be on the importation of technical books, antiques, and scientific equipment. For example, under our present tariff laws, books of foreign authorship are subject to a duty of 3 percent ad valorem. Imports worth about $39 million are involved. See on this TSUS 270.45 U.S. imports for consumption and general imports 1964, U.S. Department of Commerce, Bureau of the Census. Under the bill this duty would be eliminated in this specific area. Less than $2 million of revenue is involved.

As our Nation has traveled down the path of diplomacy, we have met many obstacles. Fortunately, they have been only temporary detours in our quest for world peace. This bill widens the path by enlarging the channels of communications between nations. A society's mental growth should not be restricted by economic sanctions.

I hope that this bill will now receive careful consideration in the Senate. I believe its speedy passage will help to remove one more obstacle that blocks our path toward world peace and understanding. This Congress being an important catalyst in the preservation of the free world, should now incorporate into our law the necessary powers to implement the agreement we signed in 1959.

THE PRESIDENT'S CLUB

Mrs. REID of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. GOODELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mr. GOODELL. Mr. Speaker, grave questions have been raised in this Chamber dealing with the operation of the President's Club. These questions have gone unanswered.

Aside from the very serious questions of individual situations, there remains the underlying problem of the nature of campaign financing.

The lead editorial in the Christian Science Monitor for today, September 13, 1966, addresses itself to this question and should be read by the Members of the House.

For their study, I am pleased to include the editorial at this point in the RECORD:

THE PRESIDENT'S CLUB

Campaign financing continues to be the Achilles' heel of American democracy. Election campaigns in the United States are unbelievably expensive. Parties and candidates are forced to think up clever means to raise the vast sums needed to pay for high-cost campaign advertising. They frequently turn for contributions to sources some of which could conceivably stand to gain substantially from government favoritism.

The opportunities for corruption and the consequent suspicion of corruption can be removed. Political scientists believe that, whatever the difficulties, wise and adequate laws relating to campaign financing can be drafted and enforced.

No one would argue that present laws are in the least adequate. President Johnson submitted a bill to Congress proposing a new law. It would help by requiring more disclosure, encouraging gifts by smaller contributors, and closing some of the present loopholes. Still, it is a bare beginning.

At the same time that this bill would help to reduce dependence on the large contributor, Mr. Johnson is using the President's Club as a device to attract to party coffers gifts of $1,000 or more.

Relying on status appeal, the President's Club has proved to be an unusually successful fund-raising method. And, like the $1,000-a-plate testimonial dinner and the sale of advertisements in slick political brochures at $15,000 a page, it raises suspicions of improprieties. Such practices should have no place in politics.

It is not necessary to adopt Theodore Roosevelt's suggestion that the government pay campaign expenses by appropriating funds directly to the parties. Helpful measures could include voluntary agreements to limit advertising expenditures, tax incentive programs for the small contributor, laws providing for shorter campaigns, the application of campaign contribution laws to primaries and conventions, the establishment of proper accounting methods, and the disclosing and publicizing of actual contributions and expenditures.

The President's Club raises suspicions of influence peddling and corruption, involving the highest office of the land. However reluctant he may be to give up a lucrative source of party income, President Johnson owes it to the people to preside at the dissolution of this club and to do it now.

REVITALIZING THE WAR ON POVERTY

Mrs. REID of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. GOODELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mr. GOODELL. Mr. Speaker, the Republican Task Force on Economic Opportunity recently held hearings in Chicago to determine the progress and conduct of the war on poverty in that city. The failure of that city to institute a meaningful, successful program was sadly apparent in all of the testimony which the task force received.

One of the finest statements presented to the task force was one submitted by Charles H. Percy, Republican candidate for U.S. Senator from Illinois. Mr. Percy clearly assessed the current dilemmas in the Chicago program and presented concise recommendations for improving the present poverty program, as well as increasing the responsibility of the private sector in a total antipoverty effort.

I include Mr. Percy's statement:

REVITALIZING THE WAR ON POVERTY

(Statement presented on behalf of Charles H. Percy, Republican Candidate for U.S. Senator, Illinois, to the House Republican Task Force on Economic Opportunity, Chicago, Ill., Aug. 19, 1966)

Two years ago President Johnson issued a call to the American people to join in a great War on Poverty—a war to help some 35 million of our fellow citizens to rise to a decent standard of living and enhanced economic opportunity. The philosophy of this great new venture was straightforward and eminently sound, and in the best tradition of the American people.

It was not the principle of charity, nor of patronizing benevolence.

It was not the philosophy of the freeload or the dole.

It was merely the principle that it is right—and wise—for Americans to help their fellow Americans to help themselves.

President Johnson recognized this when he said, in his initial message to Congress: "The war on poverty is not a struggle simply to support people, to make them dependent on the generosity of others. It is the struggle to give people a chance. It is an effort to allow them to develop and use their capacities, as we have used ours, so that they can share, as others share, in the promise of the Nation."

Dr. Walter Heller, then Chairman of the Council of Economic Advisors, put it this way: "The essence of the President's attack on poverty is the creation of new economic opportunities, a chance for the poor who are able to do so to earn their way out of poverty."

These statements bring to mind the words of the 1959 report of the Republican Committee on Program and Progress, a blue ribbon group appointed by then Chairman of the Republican National Committee, Meade Alcorn, with the enthusiastic support of President Eisenhower. The Committee, which I had the very great honor to chair, said:

"There are still some people who earnestly seek jobs who cannot find them, people struck down by disease who lack the means for decent care. There are old people without the simple requirements of a life of dignity; children without access to suitable education; people denied equal rights because of race, religion, and national origin. These are blights on the conscience of the most richly endowed of all nations with the means of achieving well-being for its people."

Our report then went on to make this affirmation: "We believe . . . that every American of whatever race or creed must have the chance to make his best contribution to society, to himself and his family and to earn a status of respect."

This is not the time or place to present an exhaustive listing of similar formulations of this common philosophy which runs like a silver thread through the fiber of the American experience. The principle of helping others to help themselves to grow in self-reliance in ability, in economic productivity and security, and in dignity, is a principle we all share.

The debate which rages over the present War on Poverty, is not waged between those who believe in helping others to help themselves, and those who believe in winner-take-all and devil take the hindmost. It is waged between those who claim that the weapons of the War on Poverty are not helping people to help themselves, and those who defend the present one and three quarter billion dollar program as the proper way to achieve that important objective.

That debate, a growing national debate, started the day the Johnson Administration submitted its Economic Opportunity Act to the Congress, and it has intensified as the various programs got under way. And today, two years later, it has become a growing crescendo as more and more Americans are beginning to voice their concern over the future of the Administration's War on Poverty and the Great Society of which it is supposed to be so vital a part.

At this point, Mr. Chairman, I should like to congratulate you and all the members of the House Republican Conference Task Force on Economic Opportunity chaired by the very able Congressman from the fifth district of New Jersey, the Honorable PETER FRELINGHUYSEN. The hearings you have held around the country, such as this one, have shed valuable light on the workings of the War on Poverty and have led to a number of constructive suggestions. Credit should also go to the Members of Congress who serve on the Select Subcommittee on the War on Poverty of the House Education and Labor Committee, and to the hard working staff members of the Subcommittee.

THE DILEMMA OF COMMUNITY ACTION

I wish today to lend my support to a number of recommendations for improving the War on Poverty, but before I do so I should like to discuss what I believe to be the central dilemma of the key program created by the Economic Opportunity Act—the Title II Community Action programs.

Poverty—leaving aside the special problems of those too old or incapacitated to earn their way and those who are able and willing to earn their way but are prevented from doing so by the ugly barrier of racial discrimination—is basically a problem of attitude and motivation. Those whom Michael Harrington has labeled the "Old Poor"—the younger Ben Franklins and Abe Lincolns, the many penniless immigrants who came to America full of hope—were eager to venture forth to shape their environment to their own advantage. They worked long hours, planned wisely, watched tirelessly for new opportunity, and deferred present gratification for future reward.

But those Harrington called the "New Poor"—the third generation welfare recipient, the poor prisoner of the urban Negro ghetto, the once-independent mountaineer victimized by the flight of coal and timber employment, the Spanish-speaking Americans blocked from full participation in our society, the Dust Bowl farmer wiped out by crop failures—all these people have been forced by historical trends and economic conditions beyond their control into a different sort of poverty. Theirs is a poverty of motivation, will, and hope, as well as of education, jobs, and income. Unlike young Andrew Carnegie, stepping off the boat from Scotland with ten cents in his pocket and a world to conquer, these Americans have never believed that they could exert a constructive influence on the world about them. They view themselves as helpless, drifting pawns of faceless and nameless forces which foreordain their lives.

Merely giving these people money and welfare services, will not suffice. What is needed is a true rekindling of faith in the value of their own motivated efforts; otherwise, there will be no hope for helping them to help themselves up out of poverty and into economic security and a decent standard of living. In order to rekindle this faith, then, poor people have to be shown that what they do will make a difference. Then comes the first horn of the dilemma. Since what a single poor person can do usually will not make a great difference, the argument goes, poor people must unite and pool their influence to improve their common situation.

Thus, the theory says, the poor must be organized. It may be for an end to racial discrimination in employment. It may be to demand a local school board to pay more attention to neighborhood schools, as has been done here in Chicago. It may be for forcing slum landlords to correct dangerous building violations. It may even be to elect representatives of the poor to political office. Whatever form it may take, the action must be designed to convince poor people that, working together, they can attain the independence and influence they must have for a better life. As this program of action brings results, each participant grows in self-reliance and self confidence; he is increasingly encouraged to take charge of his own affairs and to climb the ladder to independence.

Now that forms one horn of the dilemma. The other horn comes into view the moment an outside party such as government enters to offer support. How can people move toward independence by becoming dependent on government money and subject to the controls that inevitably accompany government money? And worse yet, according to this thesis, since an essential element of the program to help poor people out of poverty may involve a drastic reorganization of the social, economic and political structure of a community, how can the government justify collecting tax money from all the people and then returning a portion of it to those who are likely to create a local power revolution?

Thus formulated, this dilemma has plunged the Community Action Programs of the War on Poverty into seething controversy in nearly every large city in the nation. The city halls of America—and notably the City Hall of Chicago—viewing the threat with alarm, have made strenuous efforts to ensure that the real power that flows from massive injections of government poverty funds stays right in city hall and does not come under the control of the poor.

I hope a way can be found to resolve this dilemma. I think it can be.

The fallacy in the way the issue is presented, I think lies in the assumption that the only way to prove to poor people that their efforts can produce beneficial results is to organize them for group action. If this premise is accepted, a polarization is created between the poor on one hand and the "power structure" on the other, where each sees the other as a threat to its own goals.

I think that it should be possible to avoid this unhappy polarization by finding ways to give new incentives to the power structure—meaning local government, political parties, business, unions, churches, the welfare agencies, established community organizations and so on—to open channels of upward mobility to those presently excluded from full participation in the community's social, economic, and political decision making. If such a program can be worked out, and there is some evidence that it can, it seems to me that the poor person of today would gain a fair chance of understanding the workings of these presently faceless forces. He would have a fair chance to rise through the system, instead of being forced to choose between continued poverty and militant conflict with those in the best position to give him a helping hand. The essential ingredient in such a formula, of course, is a new awareness among those who do wield the largest share of influence in the community that their ranks must be opened up to those presently poor, even if it means enhanced competition for coveted positions.

The Republican Party, which has always championed competition as a vitally important principle of American life, would do well to lead a crusade to open these opportunities to lower income people. This spirit, I think, can be found in the Opportunity Crusade legislation sponsored by two distinguished members of this task force, and I commend Congressmen GOODELL and QUIE for their outstanding efforts in this respect.

POVERTY AND THE CITY HALL MACHINE

Unfortunately, in a large city so overwhelmingly dominated by a long entrenched political machine as Chicago, there is very little interest among those in charge in opening up the power structure to any but those who have reached an "arrangement" with City Hall, Chicago; in fact, it is an outstanding example of iron-fisted control of the Federal poverty program by the Mayor and the Chairman of the predominant political party, who in this city happens to be the same person.

The original poverty legislation included the now-famous requirement for "maximum feasible participation of the poor" in community action programs. In Chicago, maximum feasible participation of the poor means the maximum amount of participation by the poor that Mayor Daley will allow and that is precious little.

The Community Action program of Chicago is directed by the Chicago Committee on Urban Opportunity (CCUO). Its chairman

happens to represent a viewpoint very close to that of City Hall. That is because the Chairman is Richard J. Daley, Mayor.

The Committee itself has some 70 members, who are appointed by the head of the local Democratic machine. About half of the members are either members of the Mayor's cabinet, officials of State and local public agencies or important members of governmental committees and commissions. Many of the others are persons whose future economic interests and social status would be adversely affected by any display of recalcitrance against the wishes of the City Hall machine. Of the 70 or so members there is space for only 14 so-called representatives of the poor, and even they are, directly or indirectly, appointed by City Hall.

The Executive Director is Dr. Deton J. Brooks, who was persuaded to relinquish his $14,500 a year job to accept appointment to the $22,500 post. Dr. Brooks, I might add, recently achieved some notoriety by lending his name to the campaign letterhead of a local Democratic candidate for Congress. When it was quite correctly pointed out that doing this was a gross violation of the Hatch Act prohibiting political activity by city employees administering federally financed programs, Dr. Brooks loftily replied, "I'll do as I darned please." He was, however, pleased to have his name removed from the letterhead with great dispatch.

The operating arms of the CCUO are the Urban Progress Centers of which there are now seven. The Directors of these Centers are appointed by the CCUO, chaired by the Mayor.

Each Center has an Advisory Council of 70 members. Originally all these council members were appointed, upon recommendation by the Center Director, by the head of the Democratic machine, who is also Chairman of the CCUO. Now a great step forward has been taken. Now the Mayor appoints only sixty members of an advisory council, and his sixty appointees are given free rein to appoint ten additional members of their own choosing. Yet, with all this freedom, it is remarkable that so few additional members have been appointed who are outspokenly hostile to the CCUO Chairman, the Mayor. Once one was, but that indiscreet council member was removed by the Daley-appointed Director of the Center.

From this organizational picture it is not surprising that Democratic Congressman ADAM CLAYTON POWELL, who should know, has charged that the Mayor "has managed to completely evade the intent of Congress, ignore the poor, and set up little political fiefdoms run by machine bosses."

Obviously, if the millions of poverty dollars spent in Chicago are going to have a commensurate impact on helping people out of poverty, there must be room for the poor to have a meaningful voice in shaping the program. The Mayor has absolutely no intention of granting the poor any such independent voice. As a result, Chicago's war on poverty has bogged down into a terribly inefficient and wasteful distribution of tax money to solidify the grip of the CCUO, City Hall and the local Democratic machine, all three presided over by Mayor Daley.

RECOMMENDATIONS FOR IMPROVING THE WAR ON POVERTY PROGRAM

Within the present framework of the War on Poverty, however, I should like to offer these specific recommendations.

1. Added emphasis must be given to the concept of involvement of the poor and their representation in positions where they can have some real influence. Obviously this cannot be achieved so long as a local community action program is so completely dominated by one political leader as is Chicago's by its Mayor.

2. The original 1964 poverty package—with the sole exception of the community action concept—consisted of a jumble of programs warmed over from as far back as the great Depression. Under the pretense of creating a new and more efficient functional grouping, the programs were lumped together under the authority of a new bureaucracy, the Office of Economic Opportunity, although when originally proposed in earlier years, they were placed in the regular Executive departments. Only one year after the passage of the Act, the Administration asked Congress to transfer one of the programs—the Title I-C College Work Study programs—back to the Office of Education to which it had been assigned by President Kennedy's Omnibus Education proposal, on the grounds that that was where it belonged for proper integration into the overall aid to education program.

The same correct principle should be applied to all of the programs created by the Economic Opportunity Act, except for the Community Action programs and VISTA, which would continue under the supervision of OEO.

3. The Headstart program for preschool children has been the outstanding success of the War on Poverty. It should be continued, expanded and strengthened, with special attention given to the training of additional personnel to ensure high quality programs in every community. I see no reason why the increased use of non-professional teachers and teachers aides should not be made; this would ease the personnel shortage and at the same time provide useful jobs to women who may be extremely competent in handling small children even though they do not hold college degrees.

4. Effective steps must be taken to insulate the poverty programs from partisan politics. Last year the Senate accepted without dissent Republican amendments to put local community action field representatives and VISTA workers under the Hatch Act, but objections from Democrats in the House forced deletion of the provision in conference. I am pleased to see that the efforts of House Republicans, fortified by the continual reports from a number of cities of political interference with and control of the poverty program, have led the Education and Labor Committee of the House to insert essentially identical provisions in the bill now awaiting House action.

5. The efforts of House Republicans also were rewarded when the House Committee added language to restrict the present practice of paying excessively high salaries to local community action employees. An additional tightening up is in order for employees of Federally-operated Job Corps centers.

6. The National Advisory Council created by section 605 of the Act is so constructed as to be useless. Such a council is supposed to provide a continuing, critical overview of the program under its jurisdiction. This particular council, however, may act only upon the request of the Director; unlike similar councils created by other legislation, this council is "within" the Office of Economic Opportunity; there are no provisions for clerical or investigatory assistance needed for a conscientious appraisal of the program; the council has no obligation to report its findings to anyone but the Director of OEO, who is under no obligation to transmit any such report to Congress and the people; and to top it off, it is chaired by the very bureaucrat whose activities it is supposed to review.

In its present form, this Council, judging from its own minutes, does nothing more than serve as a public relations transmission belt for propagating the opinions of the Director of OEO and his associates. Last year, Republican Senator WINSTON L. PROUTY offered, and the Senate passed, an amendment reconstituting the National Advisory Council to remove these infirmities. The Prouty amendment would have made the National Advisory Council a truly independent body for evaluating the progress of the poverty program and making findings and recommendations available to the taxpayer who is footing the bill. This amendment was unhappily killed in conference by House Democrats. It should be offered again this year.

7. A far greater effort must be made to see that the benefits of the community action programs are made available to rural areas as well as to our big cities. Outside of summer Headstart programs, only 15.5 percent of community action funds obligated through March, 1966, went to rural areas, despite the fact that 45% of the nation's poor families live in rural areas. Republican proposals to earmark some community action funds for use only in rural areas should be supported.

8. New incentives for participation in the War on Poverty by the States should be initiated. The Republican Opportunity Crusade provisions to create a state bonus plan are worthy of support.

9. Also included in the Republican Opportunity Crusade bill are provisions to automate the state employment services and to maintain an up-to-date job inventory. These steps—which have been urged by Republican Congressman TOM CURTIS of Missouri for years—are long overdue.

ADDITIONAL PROPOSALS FOR ECONOMIC OPPORTUNITY

The recommendations I have just made relate directly to the present War on Poverty legislation. Before closing I should like to briefly touch on some other proposals that would contribute to the overall battle to guarantee genuine economic opportunity to all Americans.

First, we must never relent in our efforts to improve our schools. Education is an indispensable ingredient in combating poverty. Our school systems should be strengthened and expanded to offer more in the way of preschool education and junior colleges. Some tax resources now preempted by the Federal government should be returned to the States and local communities for their use in improving education.

Second, no program of fighting poverty can be complete until it comes to grips with the problems of the aged. Of great importance is maintaining price stability in the economy. Inflation works its most serious hardships on the elderly poor living on fixed incomes. Effective monetary and fiscal measures to restrain the alarming price rises of the past year are long overdue. A further liberalization is also in order for the income limitation rules for social security recipients.

Third, young men and women willing to work their way through college should be encouraged to do so by permitting them a tax deduction equivalent to their expenses for tuition, fees, books, supplies and equipment. Two years ago every Republican Senator supported such a measure, but President Johnson prevailed on enough Democrats to defeat it, on a tie vote.

Fourth, Congress should act immediately to pass the Republican Human Investment Act, which would encourage additional job training in private industry through a system of carefully designed tax credits. Four years ago Congress passed legislation permitting companies to claim tax credits for their investment in new equipment and machinery. A similar investment in people and their labor skills is long overdue.

This proposal was considered in depth last Fall by the Job Opportunities Task Force of the Republican Coordinating Committee, of which I was then Chairman, and we gave it our enthusiastic support. Our recommendation was subsequently endorsed by the full Coordinating Committee, and the bill itself is sponsored by every member of the Joint Senate-House Republican Leadership. I believe all of you gentlemen here today are

among the more than 100 Republican sponsors of the measure in this Congress. The tax credit approach to spur additional job training has been endorsed by Dr. Martin Luther King and New York civil rights leader Bayard Rustin, as well as scores of business and union leaders and manpower experts. Had Congressional Democrats and the Johnson Administration heeded Republican pleas to act on this important legislation last Fall, the present labor skill shortage would not be nearly so severe, and tens of thousands of Americans would be at work in better and higher paying jobs.

Fifth, what remains of racial discrimination by labor unions must be brought to an end. Many an able and willing Negro worker is unemployed merely because a union local would not permit him to become a member. I am glad that the AFL–CIO and other national unions are continuing to work toward this goal, but the rate of progress must be sharply increased.

THE ROLE OF THE PRIVATE SECTOR

Thus far I have spoken about the War on Poverty entirely in the context of government programs and legislation. I have purposely saved until last some observations on the role of the private sector in providing economic opportunities for all.

The private sector, including profit-making businesses and not-for-profit associations, churches, unions, foundations and the like, does far more to combat poverty in America than the Office of Economic Opportunity, yet too frequently we fail to recognize its great strength and even greater potential.

Let me give you an example of how the private sector, operating entirely without government assistance, can begin to make a real dent in the problems of poverty, health care, employment, education and housing.

Two years ago I helped organize here in Chicago a one-year pilot project called the 3–R program. It was funded by a grant from the W. Clement and Jessie V. Stone Foundation. Using the facilities of the Chicago Boys Clubs, salaried and volunteer teachers taught basic reading, writing, spelling and new math skills to potential high school drop outs and those who had already left school. The method of teaching brought marked improvement by the end of the first 8 week session and at the end of the 8 week session the average reading comprehension was increased by one school year, and math comprehension by ½ year. The length of the course appealed to those students who lacked the motivation to stick out the 9 month Basic Adult Education classes offered by Cook County Public Aid. The drop-out rate from the 3–R program was very low and nearly all adults in the program found employment.

At the same time, a group of public spirited people who had helped me in my 1964 campaign for Governor joined together to form the New Illinois Committee (NICOM), of which I have served as Chairman, and we have undertaken a number of projects in the social service area.

The first project of the Committee was a Legal Aid Guide, a compilation of all the legal services available in Chicago to those who cannot afford their own attorney. This guide was printed and distributed to 600 public and private agencies throughout the city.

The second project, is Call for Action, Inc., co-sponsored by Radio Station WVON and NICOM. Call for Action is designed to promote better cooperation between tenant and landlord and to work for more effective housing code enforcement in the city. Complaints about 2 thousand buildings have beer. intensively followed up. Whenever possible the landlord is contacted first, and 26% have voluntarily cooperated by making repairs within 3 weeks. But when, in other cases, Call for Action was forced to seek action by the city building department, it found that only 10% of the complaints referred to the department were corrected within a year; while the remainder deteriorated almost beyond the point of repair.

This pointed out how important it is that private citizens not abandon all their responsibilities to a public agency, which may or may not follow through with effective action. While we have not yet succeeded in convincing City Hall that a thorough-going improvement in the housing code inspection and enforcement system is needed, we have, I believe, spurred them toward renewed consideration of constructive ideas.

The third project is the 29th Ward Family Center, run by volunteers. The Center provides play school activities to 100 pre-school children on Chicago's West side. During the summer recess the Center also offers medical and dental examinations, family planning, housekeeping and budget counseling. The Center also sponsors a choir for senior citizens, and during the school year offers after school tutoring, modeling and grooming classes, ballet classes and recreation facilities for teenagers in the area.

The Job Opportunity report, listing jobs of varying skills for both men and women, is mailed bi-weekly to community organizations in Chicago. This project has helped hundreds obtain temporary and permanent work.

The Business Assistance Program, started only last month, is designed to help small businessmen with specific retailing, production, marketing, accounting, financial or other problems. Young executives devote free time to work directly with small businessmen who request assistance.

The New Illinois Committee is, of course, only a small operation. But across the land thousands of similar organizations have been started to mobilize the great strength of the independent sector of the economy to build a better America for us all. Just to mention a few:

There is the outstanding job training program run by my good friend Rev. Leon Sullivan in Philadelphia, called the Opportunities Industrialization Center.

There are the many programs of the Board for Fundamental Education in Indianapolis, which has pioneered in such areas as basic education in industry and self-help housing.

There is the Western Student Movement in Los Angeles, the Student Education Corps at Lansing, Michigan, and the Urban Service Corps of Washington, D.C., which are giving tutoring to needy young people and adults who seek to improve their chances for attaining a better standard of living.

There is the Cornerstone Project in the Bedford-Stuyvesant section of Brooklyn, where young people from all over the country come for two week service-seminars to learn about and work with poor people from the area.

There are the MIND and STEP programs developed and applied by the National Association of Manufacturers in New York.

There is the Interracial Council for Business Opportunity, sponsored in New York by the American Jewish Congress and the Urban League, which seeks to help Negro businessmen strengthen their enterprises.

There is the Revitalization Corps, operating to assist culturally deprived youths in Hartford, Conn., and now in New York City.

There are the truly outstanding efforts of the Interfaith Interracial Council of the Clergy in Philadelphia and the Bicentennial Civic Improvement Association of St. Louis in rehabilitating slum buildings and making them available to low income families on an actual ownership basis.

There are the splendid programs being run by Dr. Larry Cole and his co-workers at the Lower East Side Action Project in lower Manhattan. And the list goes on and on.

These efforts, I think, offer in the long run the best hope of eradicating poverty in America. The function of government should not be to crowd independent efforts into the background, but to develop a genuine working relationship that lends them support and encouragement. In this way, the dream of ending Poverty in America can most effectively be attained.

"THE CHALLENGES AND THE OPPORTUNITIES," A PRESENTATION BY ROGER A. FREEMAN

Mrs. REID of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. GUBSER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mr. GUBSER. Mr. Speaker, Mr. Roger A. Freeman, a noted scholar and senior staff member of the Hoover Institution on War, Revolution, and Peace at Stanford University in my congressional district, recently delivered an outstanding paper at a national meeting of the Philadelphia Society in Chicago. The Philadelphia Society is a new national organization of university-connected scholars, and its president is Dr. W. Glenn Campbell, director of the Hoover Institution.

The subject of the society's conference was "Civil Rights and Individual Responsibilities" and Mr. Freeman's presentation is entitled "The Challenges and the Opportunities." I consider the factual data and the thoughts expressed in his paper to be worthy of study by all readers of the CONGRESSIONAL RECORD and I therefore submit it herewith.

THE CHALLENGES AND THE OPPORTUNITIES

(By Roger A. Freeman)

Coming before you at the tail end of this conference, I find that much of what I had intended to say has already been said—and much better than I could have said it. So I'll try to fill in a few gaps, summarize what I have learned and give you the conclusions I would draw.

It is apparent that we are dealing here with the most difficult domestic problem the United States has today. It is so, partly because there are many factors involved which organized society cannot control and must accept though it may regret and try to ameliorate them. Partly, because passionately held convictions clash so sharply with each other that appeals to facts, impartial inquiry or reason largely fall on deaf ears and, more often than not, are futile.

I feel like the man who when asked for directions replied, after considering several routes, "Mister, you can't get there from here."

But we are like a man hanging by his fingers above an abyss: we can't give up because the alternative is disaster. If we chart the trend of current developments in some of our major cities, in many school systems, in welfare dependency, crime and numerous social ills, and project them for the next decade or two, they spell utter chaos. If we study the nature of widespread unrest and violence and watch the dynamite piling up in many locations, we may conclude that Watts may have been only a curtain raiser for Megawatts to come.

The problem at hand is somewhat like our Vietnam quandary: none of us feel very comfortable at having hundreds of thousands of American men fighting a protracted war in Asia's southeast corner. And many or most

of us have grave doubts whether present policies will lead to victory or even to a satisfactory compromise. But we know that we can't run out—and so can only try to devise and suggest a course of action which is more likely to result in a favorable outcome than the present one.

If the problem were just one of civil rights it would be easier to find a basis for agreement, at least in principle. There is, in fact, large-scale consensus that equal access to the rights and privileges of citizenship must be assured: the right to vote or be elected, equal opportunity to participate in all services of government—education, health, welfare, recreation. Until not so long ago it was the "Equal Opportunity" banner under which the civil rights forces gathered and which all who believe in freedom and justice had no difficulty joining. Now, that some of the earlier goals have largely been achieved, it has become painfully obvious that equal opportunity means unequal results. So, demands are being raised for more than equal rights—and since nothing can be more than equal, this means unequal rights, or, if you please, discrimination in reverse. The battle cry now is for preferential treatment for one ethnic group out of the many that have come to this country.[1]

The old truth that the right to move my fist is limited by the proximity of your chin seems to be too easily forgotten and what started as a movement for freedom seems to wind up—as it so often did in history—as growing coercion. Such action is bound to backfire—and it already has in some cases, which has raised the activists' ire to white fury.

Some observers wonder why hatred seems to be growing, why riots erupt at a time when civil rights laws are being passed and carried out, when discrimination barriers are being broken, when more is being done to improve the economic and social condition of the Negro than before. They seem to be under the misconception that the turning from anger to violence, from civil strife to rebellion, is governed by objectively measurable conditions of well-being. In reality, however, the critical factor is the psychological response to the interpretation of conditions rather than the conditions themselves.

What would you do if you wanted to incite a group of people to riot? You would tell them that they are being oppressed by evil men, that they are being deprived of their natural rights, that they are the victims of injustice and exploitation, that their lot is worsening and that there is no hope for them. That is almost exactly what the President of the United States said in his Howard University speech on June 4, 1965. He told the Negroes that the walls between them and their tormentors are rising and the gulf widening, and that these are for the Negro "a constant reminder of oppression. For the white they are a constant reminder of guilt." Similar incendiary speeches were made by other officials and politicans. Small wonder that hatred and violence are multiplying.

Is it true that the walls are rising and the gulf widening, that the income gap between whites and Negroes is growing? The median cash income of Negro families was reported at $3724 in 1964, per capita income at $1168. That is higher than personal income runs in all but 3 or 4 of the 120 countries on the face of the globe. It is 5 to 15 times as much as income now averages in the Congo, in Ghana or in other countries where the Negroes would be if their ancestors had they not been brought over here. But it equals only 54% of the income of the average white family. That does not mean that Negroes are paid lower wage rates but that they are more heavily represented among the low-skilled, low-wage occupations. This parallels the situation in other countries where Negroes live.[2] But those countries maintain no such income statistics.

The lower average income of Negroes is being used all over the world, particularly by the Soviet propaganda machine, to denigrate the image of the United States. To be sure, the same situation in regard to occupational distribution exists between Russians on one hand and the Kazakhs and other oriental peoples in the Soviet Union on the other. But the USSR is smart enough to publish no statistics that would show this. You have to go to Soviet Central Asia to see it—and how many people do?

Has the white-Negro income gap really been widening, as we have been told? The median wage and salary income of nonwhite males which jumped from 41% of that of whites in 1940 to 61% in 1950 has been around 58% since 1958. To be sure, for year-round, full-time workers the progress has been continuous: Nonwhite earnings as a percentage of white earnings climbed from 45% in 1940 to 58% in 1950 and 66% in 1964. What explains the discrepancy? A steady deterioration of the relative employment picture. The unemployment rate among nonwhites equalled as a percentage of the white rate:

	Percent
1930	92
1940	118
1950	173
1960	185
1965	209

Unemployment now equals slightly less than 4% of the labor force among whites, almost 8% among nonwhites. It is worse among women than men, worst of all among teenagers. One-fourth of the nonwhite boys in the labor force and one-third of the girls list themselves as jobless.

Nobody can claim that all job discrimination has been eradicated. But it certainly cannot be said that it has been getting worse. Evidence is to the contrary. It is widely held that the number of unskilled jobs is shrinking and that Negroes are hit harder because they have fewer skills due to inadequate educational opportunities. It would probably be more accurate to say that unemployment among low-skilled persons is so heavy because of a growing discrepancy between their productivity and the wage rates they would have to be paid under minimum wage laws and union contracts, and because nonwork pay is becoming more easily available and more attractive.

A few recent reports in the *New York Times* may throw some light on this:

"At HARYOU ACT [Harlem Youth Act Program] 50 openings for maintenance helpers—a euphemism for assistant janitors—went begging this summer because the kids didn't want them, no more than they wanted jobs as maids, no more than they wanted to pick cotton."

Earlier in the same article the author described a youth of 23 who left school at 16, has worked for perhaps 3 of the past 6 years at five different jobs, the last of which he lost when he swore at a customer who didn't tip him for delivering the groceries. He said he hadn't worked for nine months and would like a job. "But man," he said, "What do I got to sell? All I got is my hands and there's more hands around than there is jobs."

(From an article dealing with job discrimination in the *New York Times Magazine* September 19, 1965.)

"One of Mrs. Petty's neighbors thinks the solution is not just jobs but 'good-paying jobs.'

"Last July, he gave up an $85-a-week job as a tow truck driver because after deductions, lunch money and carfare, he was left with $60 in take-home pay. He is drawing $55 a week now in unemployment compensation."

(From an article "Negroes Still Angry and Jobless Three Months After Watts Riot," the *New York Times Magazine* November 7, 1965.)

The Bureau of Labor Statistics and Census Bureau do not publish all pertinent statistics they gather and particularly the detailed ethnic breakdowns of the 1950 Census were not made available from the 1960 Census. But occasionally we can gain an insight if an administration official who wants to make a point uses some unpublished figures.

In a speech at Houston on January 21, 1966, Assistant Secretary of Commerce Andrew F. Brimmer[3] revealed that the unemployment rate among married Negroes who live with their wives is less than 2%—the same as for white of the same status. That is about as low an unemployment rate as we are likely to reach in a free market with high mobility.

This fact raises any number of questions. Is racial discrimination directed only against Negroes who are single or have left their families but not against those who stayed with them? Or are only single or separated Negroes undereducated or unskilled? Are they the only Negroes who bear the indelible imprint and consequences of 200 years of slavery and 100 years of oppression and deprivation and lack of educational opportunities? Does the amazingly low unemployment rate—less than one in fifty—among married Negroes living with their wives not suggest that education, skill, employability and ability to land and keep a job are not related to color of skin but to other personality traits? Should it not cause us to review and revise often repeated concepts of Negro stereotypes?

The truth is that Negroes are no more homogeneous than whites—some are intelligent and some are stupid, some are diligent and some are lazy, some conform to accepted behavior standards and some don't, some are honest and some are criminals. The differences within each ethnic group are far wider than the statistical variance between their averages and the overlap is great. Controlled comparisons show that differences associated with income outweigh those associated with color. Family structure differs more between income levels than between Negro and white families: If we compare statistical averages of whites and Negroes in various tests or social characteristics, we find substantial differences. But they are smaller than between persons in the upper socio-economic strata and those at the lowest strata.

This suggests that the root of the differences may not lie in color of skin but in certain personality traits which determine the socio-economic bracket a person winds up in. Therefore, our attention and our efforts should be concentrated on the personality traits which are connected with poverty and social ills and not with race. The statistics suggest that those characteristics may be no more equally distributed among various ethnic groups than are blue eyes, red hair or tall build.

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[1] Elaborate rationalizations are being advanced for translating this form of racism into public policy.

[2] Except for the governmental bureaucracy in some of the new countries of Africa. Some of those countries, such as Uganda, are trying to correct the occupational imbalance by excluding Asians (Indians and Pakistanis) from pursuing the vocations in which they have traditionally engaged, and forbidding non-Africans to own land. That parallels some of the provisions of the Nuremberg laws of 1935.

[3] Who has just been appointed a member of the Board of Governors of the Federal Reserve System—the first Negro on that body.

The crucial question is now: are those traits the result of extrinsic or intrinsic forces, are they inborn or are they acquired? Few believe that they are wholly due to heredity but many are impassionately committed to the proposition that they are exclusively the results of environmental influences and that the suggestion of genetic causation is absurd.

I called the question crucial. But it is also presently unanswerable. Partly because no definite or conclusive proof has yet been advanced for one side or the other. But above all, because emotions so dominate beliefs in this field that a reasonable, fact-based, discussion is virtually impossible. The rules of logic and scientific inquiry, probability and proof seem not to apply here. To as much as refer to the possibility of a genetic basis for differences in achievement or intelligence tests—or in social and economic characteristics—is regarded by many scholars in the field not merely as a heresy and absurdity but as repulsive and indecent. Any perpetrator is treated with sarcasm and invective and subjected to ostracism.

When Assistant Secretary of Labor Daniel Patrick Moynihan, last year, wrote his now famous report on the breakdown of the Negro family—in which he emphasized the statistical differences between white and Negro characteristics and was careful to attribute them to slavery and discrimination—(a report that formed the basis for President Johnson's Howard University speech) he was called a veiled racist and a fascist by participants in a succeeding White House Conference; he soon resigned to withdraw to Wesleyan University.

When Dwight Ingle, University of Chicago professor of physiology, in a calm and factual article in *Science*, the journal of the American Association for the Advancement of Science, in October 1964 wrote that there is no proof of personality traits being genetic or environmental—with a plague on both, what he called racist and equalitarians—he found himself attacked in more than a dozen vituperative letters in succeeding issues of the journal. Some even criticized the journal for publishing the article. It is apparent that in regard to this issue academic freedom is indeed academic, and reserved to one side only.

I have expanded on this aspect because I know that many of you feel, and rightly so, that this is a vital question which needs to be resolved by study and broad discussion among competent scholars. But I have come to the conclusion, very reluctantly and regretfully, that at this time such an approach leads us into a dead alley. Factual study and academic inquiry should by all means continue, and I lift my hat to any volunteer martyr, ready and willing to be sent to Coventry by the "community of scholars." The rest of us may take our clue from Kant: the failure of pure reason and the triumph of practical reason. Or, if you please, a pragmatic approach.

To find practical solutions we should first identify the white-Negro differences which have been narrowing and those which have been widening. That may give us some clues for possible action.

The following data are not in absolute terms but in terms of the white-nonwhite ratio: Family income significantly improved over the past 25 years, but has been stable for the past 7, slightly below its 1950 ratio. For year-round, full-time workers, wage growth has been steady and seems to continue. The educational differential, expressed as the number of years of formal schooling, has dwindled from 3.7 years for the group which is now 45–54 years old to .9 years for the group which is now 18–24 years old. By such measurable yardsticks as teacher qualifications and salaries, building standards and per pupil expenditures progress in nonwhite schools has been relatively faster than in white schools.

The occupational distribution has vastly improved. Between 1950 and 1964 the number of nonwhite white-collar workers increased 4 times faster than that of white white-collar workers, of craftsmen and foremen more than 6 times faster, the number of professional and technical workers 2.3 times faster, of managers, officials and proprietors 2.5 times. But in unemployment, desertion, illegitmacy, welfare dependency and crime the white to nonwhite ratios have deteriorated. The nonwhite unemployment rate is now twice that of whites, the desertion and crime rates are 5 times, ADC rates 7 times and illegitimate birth rates 8 times higher among nonwhites than among whites.

How can we explain that discrepancy between narrowing gaps and widening gaps? It is likely that we are dealing with two (or more) different types of Negroes. A steadily expanding middle class has been improving its education, works hard to advance in skilled occupations and observes the prevailing behavior standards, in the long-established tradition of millions of European and Asian immigrants who succeeded in lifting themselves from abject poverty to respectable socio-economic levels. While nonwhite fertility rates have been growing in relation to white fertility, middle-class Negroes now average fewer children than middle-class whites. And on last count there were over 400,000 nonwhite families in the $10,000 a year and over bracket.

The rapidly growing Negro middle- and upper-class—whose ancestors also were slaves and victims of discrimination—proves that color of skin and handicaps that relate to it are no insuperable obstacles. What distinguishes the middle-class Negro from the pauper or slum Negro is not color but ability and effort. And what distinguishes the pauper or slum Negro from the white man in similar conditions is color of skin and nothing else that needs to be considered in shaping public policy. This, it seems to me, is the most important consideration to keep in mind in trying to find a rational solution.

Middle-class Negroes have been—and still are being—subjected to worse humiliation and rebuffs than other Negroes. It is the striving Negro, who like immigrants of earlier days attempts to conform, who aspires to move from the ghetto into the suburbs and too often is being denied access, rejected for no reason but his color. He had to—and still has to—overcome prejudice in regard to his competence to fill technical, professional and other skilled jobs. There has been far less discrimination in regard to unskilled jobs.

Middle-class Negroes offer the best hope for a peaceful solution—and we must go out of our way to welcome them—which on the whole we have not done. But there are promising signs: universities are now actively trying to recruit Negroes—as are many major industrial and commercial corporations—for a broad range of skilled and professional jobs. The Negro executive, scientist or secretary are becoming status symbols for aspiring companies.

Some may ask: why worry about the middle-class Negro? He hasn't been a problem. But I submit that we can never sufficiently emphasize and demonstrate for all the world to know what Negroes can accomplish in this country if they have the ability and try hard enough. What's more, by not welcoming those who make a genuine effort, by denying them housing in desirable neighborhoods or better jobs, by snubbing them socially, we turn them into rebels and drive them into the hands of the extremists who seek the help of intellectuals to organize and lead the masses at the bottom of the heap to violence and upheaval. We implant hatred against the white man in them.

Soviet authorities stinted no effort to attract to their banners the elite of the Turkmen people in their Central Asian colonies by offering high honors and rewards to Kazakhs, Kirghiz, Tajiks, etc. of ability and proven loyalty. By winning over the men who otherwise could have turned into leaders of resistance or rebellion, the Soviets succeeded in securing the formerly troublesome southeast corner of their empire.

What should be done about the "other" Negroes—the poor, the illiterate, those who are beset by or cause social ills, the violence-prone?

Above all, we should keep in mind that four-fifths of the unemployed are white, that the majority of poor—by any definition—are white, that whites account for half the illegitimate births and half the serious crimes. We must look on poor Negroes not as Negroes but as poor, on Negro transgressors not as Negroes but as transgressors—no different from white poor or white trangressors. We must, as earlier civil rights leaders demanded, be colorblind. By dealing with the problem as a matter of color or race we make it all but insoluble and play into the hands of the troublemakers and extremists.

Does this then mean a general war on poverty? Of course it does. The United States has long been engaged in the most effective war on poverty the world has ever seen. We have changed the income distribution from the historic shape of a pyramid to the shape of a diamond or pear. But no amount of wishful thinking and no power on earth can alter the sad fact that there is and always will be a lowest 20% and 10% and 5% on any distribution of biological characteristics or of personality traits such as intelligence, drive, capacity for self-discipline and self-denial. Our latter-day alchemists who promise to turn inert material into gold by a myriad of mysterious processes of violent non-coordination, can only succeed in wasting huge sums of money and keeping the cauldron boiling and close to the explosion point. They may, as their spiritual ancestors did, maintain themselves in affluence. But like their forebears, they have yet to produce one ounce of gold that could not have been brought to the surface by well known methods of mining.

An effective war on poverty and related social ills must rest on two pillars. One, of course, is education, or—to be more accurate—occupational training, in schools or on the job (possible with a tax incentive to companies willing to provide on-the-job or apprenticeship training).

This cannot and will not be done effectively as long as we—as the only nation on earth ever to try it—keep all children of widely varying ability—ranging from an IQ of 70 and under to 120 and over—in one school and even in one classroom up to age 17 or 18, and promote them annually whether they master the curriculum or not. That works an injustice on the gifted children and leaves those of limited endowment unprepared to earn a living at the simple tasks of which they would be capable, if they were properly trained. A division by type of school or by track is necessary at some point—or, if you please, segregation, *but not by color of skin—by natural endowment and aspiration.*

Suggestions to raise the compulsory attendance age upward, even as high as age 21, have merit—provided that exceptions are made for those who hold and keep a job (and of course for girls who marry and take care of a family). This could be a national service with the alternatives of a school of some kind, a job, the armed forces or a service corps of the CCC type. There is nothing wrong with a youth corps for young people who can't find other meritorious work to keep them fed, occupied and disciplined. Of course, a CCC corps need not cost $7,000

a year per boy—which is twice as much as it would take to send him to Harvard.

We should, by all means, try to educate or train as many of our men and women as we can for skilled trades. But for many, training is not the answer—and they know it—they demand the type of job openings they have the capacity to fill. Dislike it as we may, there remains a small percentage of people at the bottom of the barrel who cannot compete in a free market at today's wage rates. To them, society does owe a chance to a sheltered workshop where they can earn their way though they lack a marketable skill. Work relief at subsistence pay is a possible answer. The Soviet Union knows no unemployment pay, no public assistance—but provides many millions of simple jobs at less-than-subsistence pay. We Americans can and should do better. But at present we are doing worse—by the people affected and by society.

The second pillar without which the building will not stand is motivation. The people we are dealing with here, need to be faced with strong incentives for action—because they have by nature less hope for ever getting a high reward and harbor less fear of hardships to which they are accustomed. There is no substitute for the carrot and the stick, nor can the stick be replaced by just the carrot. The policy of the past 30 years, to increase workless pay to a point where it not only competes with potential earnings but often exceeds them, and to steadily ease the access to it for extended periods or permanently, is the cause of many of the social ills that beset our slums and their inhabitants. To ease people's lot and make them more comfortable in their present condition is no way to make them exert their strongest efforts to raise themselves. To put it in the bluntest terms: we must make them more uncomfortable—but open the door and show them the way to a better life.

Except for the sick, disabled or aged, and for similar justifiable or temporary causes, periodic income payments should be available only for work, no matter how small the value of the service that a recipient of low intelligence can perform. Our system of public assistance and unemployment pay probably bear greater responsibility for our present troubles than is widely realized.

In conclusion then: It seems to me that there is no solution to the ethnic minority, or race, or color, or Negro problem in the United States until we quit looking at it and treating it as an ethnic or race or color or Negro problem. Civil rights, that is equality before the law, can best be assured—and be assured only—if justice and public policy are colorblind. Of course, reasonable men can differ on how far the law shall go and can go in assuring one man's rights without transgressing on another man's rights. But they can, and hopefully will, seek compromise rather than retire to inflexible stands.

Access to the voting booth must be secured for all who possess the proper qualifications. It was the abuse of the literacy tests which led to federal interference that weakened instead of strengthening them. As so often, hard cases make bad law. This could also come true in housing if no other solution is found.

To deny any child access to a school, or assign it to a school, solely because of race, is an infringement of his civil rights, whether his skin be black or white. A neighborhood school policy with a flexible allowance for open enrollment is the best avenue toward fairness for all. No child is entitled to sit next to a child of a particular color, whether it be of his own or a different complexion.

The challenge this country faces is not of a racial nature—though fierce attempts are being made here—as they were and are being made in many foreign lands—to turn it into a race conflict. The challenge is of people who are poor, ignorant, without jobs, who behave badly or criminally toward themselves, their families, their neighbors or others and toward society. To know that some of them are white, black, red or yellow does not help us; it only confuses the issue and may make a peaceful solution well-nigh unattainable. Opportnity to avoid increasing violence, strife, and maybe chaos and rebellion, is offered by a public policy that is colorblind. It may be our only chance.

THE DEMOCRATS—THE HIGH-INTEREST-RATE PARTY

Mrs. REID of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mr. CURTIS. Mr. Speaker, almost hidden in the confusion surrounding the debate over the President's recent economic proposals is the suggestion to reduce or abandon Treasury's sales of certificates of participation to the public. This measure is now advanced by Secretary Fowler and others as a step toward improving conditions in the market for money and credit. Indeed the Secretary may be correct, yet underneath this proposal lies a very tragic story.

When this measure was presented to the House for debate last May it was promoted by administration spokesmen as an ingenious way to substitute private investment for public debt. Thus, it was argued, the public debt would be reduced and at the same time employing the voluntary participation of the private sector of our economy. I regret to say that the majority of the House was persuaded by the administration's rhetoric and the Participation Sales Act of 1966 was approved.

Other Republicans as well as myself did our best to point out that the issue was not over the attractive label which had been given this bill, but to the contents of the bottle beneath the label. I argued that this bill was indeed a sham as the intent was to appear to not increase interest rates in marketing Government securities when in fact this is exactly what would occur. I observed that there may be 100 votes or the whole Democratic Party, may vote against increasing the interest ceiling on long-term Government bonds, but if they vote for this bill they are just as surely increasing the amount of interest that the Federal Government must pay, and it will be beyond the 4½-percent ceiling.

I am submitting for the RECORD today an excellent editorial which appeared in the New York Times of September 13, 1966, pointing out again the tragic chicanery and economic results of the administration's action.

[From the New York Times, Sept. 13, 1966]

END OF A FISCAL GIMMICK

The Johnson Administration has finally wriggled off the hook of its design that has put painful pressure on the nation's money markets and harmed its own economic objectives.

The Johnson Administration is not in favor of tight and dear money. But its desire to make the budget deficit look smaller led it to forge a policy that effectively reinforced the Federal Reserve's monetary stringency. Instead of winning applause for fiscal ingenuity from the financial community the Treasury has been attacked for its fiscal mismanagement in contributing to the severe squeeze on credit. Experimentation and innovation in fiscal operations are of course sorely needed, but it is clear that the Administration's resort to this particular gimmick has definitely hurt, rather than helped, its own cause.

The hook was in the form of sales to the public of special types of Government securities, particularly participations in Federal-owned loans. These sales were originally billed as a measure of fiscal responsibility because they helped to reduce the deficit in the Federal budget. But coming at a time when private demand for long-term funds were strong, the Treasury's trips to market to sell its participations helped to intensify the credit squeeze and drove up interest rates to very high levels.

Now the Treasury has announced that it is abandoning public sales of participations and will limit the marketings of securities sold by Federal agencies. This decision means that the Treasury will be stepping up its own direct borrowings, which may prevent an easing of short-term interest rates; it also may swell the Federal deficit and force the Treasury to go to Congress with a request to raise the ceiling on the national debt.

It has not been easy for the Administration to admit it was wrong, especially since reverting to its traditional practice will bring these new problems. But the Treasury has recognized that sticking to its financing gimmick to hold down the direct Federal deficit held much greater risks than getting rid of it. The fact is that the sales of Government participations have not only made interest rates higher than they would—or should—have been; they also proved extremely unsettling to the market, worsening an already turbulent and tense situation.

The postponement of sales, combined with the fiscal proposals made by President Johnson, have served to improve market conditions. Even more important, the decision is a sign that the Administration may have finally realized that it cannot really be fiscally responsible so long as it indulges in financial gimmickry.

HONG KONG TEXTILE EXPORTS NOW UNDER TIGHT LID

Mrs. REID of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mr. CURTIS. Mr. Speaker, on August 26 the pending agreement between Hong Kong and the United States for the control of Hong Kong cotton textile exports to the United States was signed. Under it Hong Kong will regulate its exports to the United States through export quotas. Export quotas differ from import quotas only in that the exporter controls the trade, rather than the importer. The effect on the availability of goods in the importing country is the same under both devices.

Such bilateral agreements are permitted by article 4 of the long-term arrangement regarding trade in cotton textiles—LTA—which acts as a flexible umbrella for the quota programs of

its members, each of which interprets LTA differently. This agreement affecting U.S. commerce was negotiated and signed by the United States under the authority of section 204 of the Agriculture Act of 1956 as amended. Thus this agreement and the 18 others like it, and the various unilateral quotas the United States imposes on textile imports, as well as the operation of the U.S. textile program by the Interagency Textile Administrative Committee—ITAC—is under the jurisdiction of the House and Senate Agriculture Committees. These committees have not properly exercised their functions of oversight and have not reviewed the U.S. textile import program nor reported to their respective bodies, the House and the Senate.

U.S. bilateral agreements are so structured as to lock imports from each restrained country into a tight framework. The following description in the August 31 Bulletin of the National Council of American Importers demonstrates why. Within the limitation that 322.5 million square yards can be exported to the United States in the year ending September 30, 1966, four groups were established:

On yarn, the limit is 7,338,841 equivalent square yards; on fabrics, the limit is 126,853,-127 square yards; on apparel, the limit is set at 158,189,916 equivalent square yards; and on made-up goods and miscellaneous products, the limit is 30,118,116 equivalent square yards. (The agreement contains conversion factors for converting the weight of such items as yarns and apparel into equivalent square yards.)

Within each of the four groups, specific limits are set for many of the sixty-four categories of cotton products. For instance, in the fabric group, ginghams under categories 5–6 are limited to 4,385,172 syd.; sheeting (categories 9–10) to 55,504,621 syd.; twill and sateen (categories 22–23) to 19,400,000 syd.; duck fabric (categories 26 and 27) to 28,000,-000 syd. In the apparel group, limits are set for shirts, raincoats, trousers, blouses, dresses, and all other apparel. In the case of corduroy apparel Hong Kong is required to limit them to 7,350,000 equivalent square yards during the first year. All the quantities specified in the first year period are to increase by 5% for the second and each subsequent year of the agreement. Hong Kong is allowed to merge related categories, and to exceed group and category limits by specified percentages, provided that the aggregate total allowed for any one-year period is not exceeded.

The Hong Kong businessmen are said to feel they have "done well" in the negotiations, according to a report in the August 27 New York Times. This restrictive trade treaty with the United States is said to be "the biggest and most important trade pact in the colony's history."

The effects of the U.S. quota program have not been good. The United States buys more of Hong Kong's cotton textiles than any other nation. Hong Kong is now assured a certain portion of the U.S. cotton textile market for the next 4 years. As long as U.S. demand lasts Hong Kong's share is assured. The fact that Hong Kong has a large quota means that other producers have small shares of the U.S. import market which they cannot exceed, even if they sell more cheaply than Hong Kong as they are now beginning to do.

The long-term cotton textile arrangement as applied by the United States is promoting economic distortions around the world, and this example is only one of many. As a U.S. businessman recently wrote to me:

Quoted items are now artificially scarce, and those U.S. importers who are supplied by quota-rich exporters have a vested interest in the present system. . . . Foreign governments fear antagonizing the U.S. The Hong Kong businessman, in particular, shrank from the fear of opposing the powerful United States out of fear of being blacklisted. Everywhere I found a bitter and cynical attitude towards our country for its hypocritical treatment of a treaty (the LTA) ostensibly designed to "increase" the flow of textile trade, but which was solely used by the United States as a quota device.

It is no surprise that Hong Kong businessmen are pleased with their new quota, which allows an increase of all of 32 million yards over their exports to the United States in calendar year 1960 of 29 million square yards. This is not much for an exporter frequently cited as one of the main threats to the U.S. textile industry, but it is more than Hong Kong might be able to sell were it forced to compete with lower cost producers.

BEEF IMPORTS AND OTHER OMINOUS DEVELOPMENTS

Mrs. REID of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. LANGEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mr. LANGEN. Mr. Speaker, of serious concern to rural America is the news that imports of foreign beef and veal are again entering our country in alarming quantities. More than 100 million pounds of foreign beef and veal found U.S. markets in June alone. This is almost double the average monthly rate for such imports in 1965. Indeed, rural America knows that increased meat imports mean displaced markets for domestic producers as well as lower prices.

I first warned of the coming adverse effects of unwarranted imports over 7 years ago, and have continued to urge action to limit foreign agricultural imports that provide direct competition with domestic producers. Beef imports in June, however, were not enough to trigger imposition of the meat import quota amendment.

When we passed the meat import quota amendment in 1964, I called it only a first step in restricting imports of foreign beef and other meats. Though it prescribes the setting of a quota on certain meat imports, principally beef, the Secretary of Agriculture has not been able to recommend Presidential imposition. That is why I hope the Secretary will watch the increase in beef imports more closely than ever, so he will be prepared to recommend an import ceiling just as soon as it is required.

I also observe that over 4,670 million pounds of foreign beef and veal have been imported since 1961. If part of that quantity had instead been produced by American cattle raisers, they would be in a more equitable economic position today.

Unless the domestic producer can have the assurance of a favorable market that will not be destroyed by a flood of foreign meat imports, he faces the grim prospect of a repeat version of the 1963–64 price debacle.

There are other ominous developments for the farmer with respect to barley, turkeys, and wheat. Barley growers are concerned over the Secretary of Agriculture's recent decision to remove price support payments next year and permit unlimited production. The possibility of a glutted market with lower prices is most disturbing, and it is my sincere hope that the Secretary will alter his decree.

I note, too, that farm turkey prices have dropped 3 cents per pound since March. Moreover, the Department of Agricultural has indicated that prices this fall will drop below's last fall's return, in spite of its present turkey purchasing program.

Another dark cloud on the horizon is the administration's treatment of the 1967 wheat program. As our Republican Task Force on Agriculture recently observed, the Department has quietly announced that farmers in the wheat program will receive certificates on little more than a third of their production next year. This compares to 45 percent of this year's crop. So if increased production causes market prices to fall next year, wheat producers will receive a lower blend price per bushel than they could have under similar circumstances this year.

It will be one of the continued purposes of the task force to analyze the farm scene, both national and international, and pinpoint the strengths and weaknesses of administration policies and decisions that affect American agriculture.

BILL TO DEDUCT EXPENSES INCURRED BY TEACHERS TO FURTHER THEIR EDUCATION

Mrs. REID of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. REID] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mr. REID of New York. Mr. Speaker, I am today introducing a bill which would permit teachers to count as deductions from their Federal income tax expenses incurred in course work or educational travel to improve their competency in their profession.

The passage of my bill, and others like it, would have the effect of reinstating an Internal Revenue policy that, from 1958 to July 7 of this year, permitted teachers to make such deductions. Proposed IRS regulations that will go into effect next January would no longer permit this deduction.

Mr. Speaker, news reports just last week as schools opened around the

country indicated that there will be a serious shortage of teachers in many communities this fall. The Elementary and Secondary Education Act, the Higher Education Act and the other educational assistance measures that this Congress has enacted all require as the backbone of the their success good teachers in increased numbers to meet the needs of our expanding classrooms. But sheer numbers do not indicate that the greatest need of all is for highly trained teachers who will concentrate on teaching and on their students. A 32-State survey by the National Education Association in 1964–65 indicated that only 65.8 percent of the teachers had bachelor's degrees and only 18.3 percent had master's degrees.

An incentive such as continuation of the tax relief that my bill would provide will do much to encourage our teachers to refresh their skills, to catch up on new methods and techniques, and to increase their understanding of their children and their subjects.

Good teachers are one of this Nation's most important needs in order to attain educational excellence. The Congress must do what it can to strongly encourage those in the teaching profession, and I am hopeful that prompt action will be forthcoming on this legislation.

RIGHTS FOR THE PERFORMING ARTS

Mrs. REID of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. REID] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mr. REID of New York. Mr. Speaker, I am today introducing a bill to amend section 8(f) of the National Labor Relations Act to give employees and performers in the performing arts rights similar to those given by that section to employers and employees in the construction industry.

In 1959, the Congress found that there are some industries in which the labor force is so transient on a particular job that the ordinary delays inherent in collective bargaining might make labor negotiations practically impossible. This is especially the case in the construction industry. Accordingly, the Congress permitted construction unions and companies to sign contracts before a particular job got underway so that the contractor would know his costs in advance, the union would feel secure in its job and work stoppages could be avoided.

My bill would make this provision applicable to the theater where the same conditions prevail—theatrical productions often last no longer than construction jobs and a strike on opening night would be harmful to the public as well as performers and producers.

Therefore, this legislation would permit unions and employers in the performing arts, as construction unions and contractors now lawfully may under section 8(f), first, to sign "prehire agreements," which may become effective before a representative number of employees has been hired, and second, to include in such agreements union shop provisions effective after 7 days of employment, in contrast to the 30-day union shop contract customary in other industries.

Mr. Speaker, my bill would give employers and employees in the performing arts that authority which is essential to the efficient and fair conduct of their business. In my judgment, this measure is in the public interest and I am hopeful that the Congress will act promptly.

WORDS WELL SPOKEN

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. THOMPSON] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, in his recent address at the University of Rhode Island, President Johnson addressed himself to that large segment of the American public which has never known poverty or discrimination.

He asked it, in the words of the Trenton Evening Times, "to understand the pressures that seethe in the ghettos and to understand why this country's commitment must be to give every man 'the right to live in a decent environment to acquire the skills that useful work requires to secure and hold a job despite the color of his skin or the region of his birth or the religion of his fathers.' "

Just as he acknowledged the grievances of those who live in the ghettos and and their right to protest, according to the times, the President declared that "they have the responsibility not to injure the person or the property of others in making that protest."

In speaking of the "real opportunities made for Negro Americans and other minorities," the Evening Times declares that "No President since Lincoln has done more to loosen the chains of racial discrimination than the Texan who now occupies the White House."

I believe others will find this editorial to be of great interest, and I place it at this point in the RECORD:

[From the Evening Times, Trenton, N.J., Aug. 22, 1966]

WISE COUNSEL

No President since Lincoln has done more to loosen the chains of racial discrimination than the Texan who now occupies the White House; and so Negroes who may be tempted to march to a more radical drummer should not lightly dismiss the eloquent counsel he offered them Saturday from the dais of the University of Rhode Island.

Against the backdrop of recent riots in the cities he spoke of men's rights, but he spoke also of men's responsibilities . . . that "fabric of responsibility woven between man and man" which must remain intact if our society is to maintain itself or guarantee justice and fairness to any individual.

We have begun to act at last, President Johnson said, to open real opportunities for Negro Americans and other minorities and help them move to achieve those opportunities; and we shall multiply and enlarge our efforts.

"Yet, I warn you, they can succeed only in conditions of civil peace, and civil peace can exist only when all men, Negro and white alike, are as dedicated to satisfying their responsibilities as they are dedicated to securing their rights," he said. "For we are all, after all, one nation. It is our destiny to succeed or to fail as a single people, and not as separate races."

The ghetto dwellers have grievances indeed, the President said, and they have every right as Americans to protest, "but they also have the responsibility not to injure the person or the property of others in making that protest. . . .

"The Molotov cocktail destroys far more than the police car or the pawn shop; it destroys the basis for civil peace and the basis for social progress. The poor suffer twice at the rioters' hands. First, when his destructive fury scars their neighborhoods; and second, when the atmosphere of accommodation and consent is changed to one of hostility and resentment."

But the President also called on the more fortunate Americans, those not tormented by poverty or discrimination, to understand the pressures that seethe in the ghettos and to understand why America's commitment must be to give every man "the right to live in a decent environment . . . to acquire the skills that useful work requires . . . to secure and hold a job despite the color of his skin or the region of his birth or the religion of his fathers."

Hopefully, his words will fall on ears that hear.

THE PRESIDENT'S RECOMMENDATIONS TO COMBAT INFLATIONARY TRENDS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. JOELSON] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. JOELSON. Mr. Speaker, the President has proposed a prudent but effective program to halt the inroads of inflation on the strength of our economy. We have all recognized the recent development of the imbalances he cited. If unchecked, they could lead to serious inflationary damage to our people. But he has reminded us also of the basic strength and growth of our economy.

It is strong, and growing, in production levels, in business profits, in employment and in the spendable income of our people. We are prosperous, as a nation and a people, beyond the levels of any prior period in our history. Nevertheless, within our prosperity, imbalances have developed. All of us have seen them in recent weeks—rising prices, unequal wage increases, the unfair impact of a credit squeeze on small businesses and home buyers.

The President's program represents, I believe, an effective, calm approach to the complex causes and effects of imbalance in the economy.

Legislation is needed to defer for a brief period the bonus incentives the tax laws now provide for plant and construction expansion, but the recovery of investment through normal depreciation will be unaffected.

Pressure must be taken off interest rates and the supply of credit. The Treasury will exercise restraint in marketing securities, and we shall have to legislate restraint by the lending institutions in their competition for the available supply of money.

However, we cannot do the whole job within the Government, even with these executive and legislative actions, unless the private sector of the economy cooperates. This means voluntary restraint by lenders in extending credit, by manufacturers in pricing, and by labor in its wage demands.

This is a program for preservation and enhancement of a free economy. It can be successful—and the dark specter of Government economic controls can be banished—only with the cooperation of all concerned. The President has shown us the way. Let us respond promptly and vigorously.

MISPLACED CRITICISM OF THE JOB CORPS PROGRAM

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentlewoman from Hawaii [Mrs. MINK] may extend her remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mrs. MINK. Mr. Speaker, the Job Corps program has been criticized and vilified by many people who obviously have not taken the trouble to really find out about the program.

I would like to tell you a story which illustrates what Job Corps is all about.

A little more than a year ago, Eddie Chock, 1 of 11 children living in Kappa on the island of Maui in Hawaii, was out of work and his prospects of finding work were poor. Even though Eddie had graduated from high school, he did not have the education or work skills which would help him get or hold a job.

He entered Job Corps on June 15, 1965, just 2 weeks before his 22d birthday.

While Eddie was making his way from Hawaii, a similar story was unfolding 5,000 miles to the east in Augusta, Maine. There Romeo Beland, 20 years old, a seventh-grade dropout, went from one job to another, never making more than 65 cents an hour. Finally, he came into Job Corps on June 22, 1965.

Eddie, the Hawaiian boy, was sent to the Alder Springs Conservation Center in California—this was before we had a conservation center in Hawaii. After 2 months there, he was transferred to the large Gary Center near San Marcos, Tex., where he studied to be a draftsman. Because of his excellent educational progress and leadership qualities, he was selected for the Capitol project—the special Job Corps inservice training program here in Washington.

Romeo, who comes from a French-speaking family, was sent to the Cass Conservation Center in Arkansas where he learned quickly, becoming an assistant to the reading instructor, and exhibited such leadership that he was named an assistant work leader and dormitory president. He, too, was selected for the Capitol project.

Eddie and Romeo met here at the Capitol project and both were assigned to work in the data processing center of OEO. They spent 6 hours a day working and 2 hours in furthering their education. Both quickly showed ability in data processing, often spent their free time on the job, and became fast friends.

On August 22 came the payoff, both for Eddie and Romeo and for Job Corps' investment in them. They started work as computer console operators for Telecomputing Services, Inc., which has a contract at the Goddard Space Flight Center. Eddie and Romeo have signed 3-year contracts with the firm at a minimum of $6,000 a year.

This, then, I submit is what Job Corps is all about.

Of course, not all of the young men and women in the program will make the dramatic transformation that Eddie and Romeo have. However, many thousands will be transformed from unemployed or underemployed burdens on society to working, taxpaying citizens.

As of last week—September 5—Job Corps had graduated 10,076 young men and women—9,348 and 728. It takes about 3 months for the placement of graduates, with half being placed in the first month after graduation. Thus, as of the same time, there were 4,279 certified placements, with 3,008 or 70 percent in jobs, 886 or 21 percent going into the Armed Forces, and 385 or 9 percent going to school.

In addition to these young people, there were on that date 28,335 young men and women in Job Corps—12,468 in 8 men's urban centers, 3,255 young women in 10 centers, 12,193 in 83 conservation centers, 30 in the Capitol project—and this is being expanded to 50 men and 50 women—and 389 in four State-related centers.

With regard to that group of State-related centers, I am very pleased to note that one of them is the Koko Head Center in Hawaii, which now has 91 young men and will have 225 young men in the next few months.

Mr. Speaker, the work which Job Corps is doing with thousands of young men and women is exceedingly valuable and the reclamation of human resources will redound to the benefit of the Nation.

FEDERAL AID TO EDUCATION

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. JOHNSON] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. JOHNSON of California. Mr. Speaker, President Johnson made a deep commitment to education in his state of the Union message last year, noting in particular four major tasks confronting our Nation: First, to bring better education to the millions of disadvantaged youth who are the most in need; second, to put the best educational ideas and equipment within the reach of all students; third, to advance the technology of teaching and the training of teachers; and fourth, to provide incentives for those who wish to learn at every stage along the road to learning. The 89th Congress, currently in session, has made tremendous strides toward advancing these goals.

Until recently there had seemed little hope for substantial Federal aid to the Nation's schools. With the advent of the 1960's, however, President Kennedy inspired individual citizens, churches, and civic organizations to meet their responsibilities in the field of education. The 88th Congress, in session from 1963 to 1964, earned the name of the "Education Congress" by enacting into law most of President Kennedy's broad 1963 program. Nonetheless, two significant portions—provisions for general public school aid and a program of federally insured loans or Federal scholarships for undergraduates—had died, tangled in the web of controversy over Federal aid to parochial schools. Last year serious opposition to these proposals was avoided by offering nonpublic schools some participation in the proposed program and directing the benefits to children and teachers of those schools rather than to the schools themselves. Aid to education was also tied into the broad package of programs designed to wage war on poverty. Yet, although the legislation was aimed primarily at aiding educationally deprived children from low-income families, it authorized grants to school districts in approximately 95 percent of the Nation's counties.

Introduced in the first weeks of the 89th Congress last year, the Elementary and Secondary Education Act represents the greatest legislative commitment to the improvement of elementary and secondary education ever made by the Federal Government. The bill passed the House of Representatives on March 26, 1965, by a rollcall vote of 263 to 153, after serious and careful consideration in the House Education and Labor Committee and strenuous debate on the House floor. Authorizing a total expenditure of $1.33 billion in its first year of operation, the proposal as passed included a number of programs especially concerned with breaking the link between poverty and low education achievement. On April 9 the bill passed the Senate by a decisive vote of 73 to 18, marking the first time Congress had ever approved a bill which in effect authorized funds for general use for elementary and secondary education. Two days later, in front of his first schoolteacher, the President signed it into law at the old "Junction" school near Johnson City, Tex.

The act is made up of five parts, each aimed at overcoming a major weakness in our schools. The principle portion, title I, authorizes a 3-year program of Federal grants to the States to be allotted

to school districts with large numbers of children from families with annual incomes under $2,000 or on relief. In our own Second Congressional District, $1,905,839 in Federal funds was provided for these programs during the last fiscal year. The grants are not marked for use in specific programs but may be used in any way decided upon by the local school districts to meet the special needs of educationally deprived children, subject to approval by State and Federal education agencies. Funds may cover increasing the number of teachers to reduce class size; purchasing supplementary teaching materials; cooperative parent-teacher programs to improve understanding and enlist early support for the school's programs; special attention to spotting and retaining potential dropouts; adequate meals for malnourished children; remedial reading classes; cultural activities; pupil health services; and many other projects. A bill to extend this program further was introduced in the current 2d session of the 89th Congress.

This same title also extends for 2 years the provisions of a law under which local school agencies in "federally impacted" areas, those burdened by the presence of Federal installations, receive grants for school operation and maintenance. Almost $1 million went into our own district in the last year for these purposes. Relief is provided in proportion both to the number of extra children brought into an area by Federal installations and to the reduced tax income resulting from Federal purchase of land.

In its second title, the Elementary and Secondary Education Act recognizes that, at all levels of education, teaching programs have become increasingly dependent upon effective school library materials and services, high quality, up-to-date textbooks, and a variety of other instructional resources. It seeks to alter the fact that in previous years almost 70 percent of the public elementary schools and 56 percent of the private elementary schools were without school libraries, and thus authorizes a 5-year program of grants to State educational agencies for use in purchasing textbooks, library resources, and other printed and published materials for the State's elementary and secondary schools. For the first year, $100 million was authorized to the States under this title. Parenthetically, it should be noted that educational services are not limited by age, and this year the Congress extended the Library Services Act which is playing a major role in keeping county libraries open.

Title III of the new legislation provides funds for local educational agencies to participate actively in educational innovations. It is concerned directly with the problem of how to get new curriculum developments, new methods and techniques of instruction, and more efficient organizational arrangements into our education system, and in the last fiscal year more than $130,000 in Federal funds was spent in our district for these purposes. As in title I, there is no strict roster of programs for which funds may be used. Colleges and universities, museums and libraries, State and local school agencies, and individuals versed in the arts and sciences may all contribute to the planning and execution of these title III programs. Live theater, concerts, mobile art museums and demonstration schools that provide new ways of teaching, and services for children not reached by existing school programs are all underway.

The fourth title amends the Cooperative Research Act of 1954 to increase the amount of Federal assistance for educational research purposes and makes available, for the first time, funds for the construction and operation of a number of national and regional laboratories for educational research and training. The fifth and final substantive title of the act provides for a 5-year grant program to stimulate and assist States in strengthening State educational needs. Basic grants may be used by a State agency for educational planning on a statewide basis, improving the collection and use of educational statistics and data, and strengthening teacher training. In addition, special funds may be used for experimental projects or special services intended to solve problems common to the educational agencies of all or several States.

The last title of the act prohibits Federal control over educational programs, curriculum, administration, personnel, or selection of textbooks or other teaching tools. It further specifies that no payments under the act may be used for religious worship or instruction.

As a companion measure to the Elementary and Secondary Education Act, the Higher Education Act has been passed by the 89th Congress. The act, signed by President Johnson at Southwest Texas State College on November 8, 1965, consists of seven titles designed to strengthen the educational resources of our colleges and universities, and provide financial assistance for students in postsecondary and higher education. Close to $1½ million in Federal moneys flowed into our district last year under this act.

Included in its first provisions are grants for community service and continuing education programs, with the intent of increasing the effectiveness of colleges and universities as agents for the solution of community problems such as housing, poverty, recreation, health, transportation, and land use. The act also provides grants to enable college and university libraries to acquire materials, train librarians, and support research and demonstration projects. It further aims to upgrade the academic standards of developing institutions by authorizing grants for cooperative arrangements between such institutions and other universities, colleges, and business groups. Grants may be used for projects such as faculty and student exchanges, visiting scholars, faculty and administration improvement programs, and joint use of facilities such as libraries and laboratories. In the same title a national teaching fellowship program is established to encourage qualified graduate students and junior faculty members of major institutions, colleges, and universities to teach at developing institutions.

Almost three-quarters of a million dollars flowed into our district during the last fiscal year under student assistance provisions of the act. Educational opportunity grants are provided for students of academic promise who otherwise would not be financially able to pursue a college education. Students in institutions of higher education may also obtain assistance through a subsidized low-interest insured loan program, operating through State and local institutions wherever possible. Or assistance may take the form of work-study programs, the size and scope of which were expanded under this new law. Defense educational activities under the National Defense Act were also expanded and amended.

A National Teacher Corps to improve school education in slums and other impoverished areas has been established by the Higher Education Act in an effort to provide more teachers for slum areas. This was a new proposal in which experienced teachers and teacher-interns would teach in areas having high concentrations of low-income families. Funds were appropriated to the Teacher Corps for the first time in a law passed by the Congress this year. Along these same lines, provisions were made for a program of teacher fellowships; and, in addition, grants are made available to institutions of higher education to purchase closed-circuit television, laboratory and other special instructional equipment, and for the operation of training institutes for educational media specialists. Finally, the act increased grants for the construction of graduate and undergraduate academic facilities, broadening the scope of the Higher Education Facilities Act of 1963 and making certain other changes. Under this act Shasta College was given a grant of a half million dollars in fiscal 1966.

Passage of the Higher Education Act marked the culmination of an unprecedented legislative dedication to the goal of educational opportunity for all Americans. Earlier in the session a number of smaller though no less significant education acts had been passed, amending and expanding existing programs. Extensive provisions were made for medical and other health education assistance. Amendments to the Manpower Development and Training Act extended training programs authorized under the act for 3 additional years, increased benefits to trainees, and expanded participation in training programs to include private institutions which provide resources not available through public institutions. Amendments to another law enabled over $200,000 in Federal funds to flow into local school agencies in the form of assistance for the construction of school facilities in the district, principally to replace facilities destroyed or severely damaged by major disasters. Indeed, during the last fiscal year a total sum of over $4,653,000 had been spent by the Federal Government for various educational activities in the Second Congressional District.

Nonetheless, an active Congress, alert to the constant needs of advancing and improving our educational system, continued again this year to add to and expand existing educational programs. Under a new law Congress extended the Library Services and Construction Act of 1964 for 5 years. Another act passed during this 2d session of the 89th Congress makes possible the leasing of Federal public lands to local governments for up to 25 years for schools or recreational sites. Passed by the House was a bill to establish and support centers for advanced international research and study, and for language centers. A bill was introduced to meet the problem of emotionally disturbed children and another one aimed to help finance sabbatical leave for 15,000 elementary and secondary school teachers per year for study to improve the quality of teaching. Also passed by the House and awaiting Senate action was a bill further extending the provisions of the Higher Education Facilities Act, authorizing grants and loans for construction of academic facilities and additional funds under the National Defense Education Act for student scholarships.

Signs of hope for our schools are strikingly visible in the ferment and change taking place in our educational efforts. President Johnson had announced early in 1965 that his intentions concerning education embraced three "T's," supplementing the traditional commitment to the three "R's": teachers who are superior, techniques of instruction that are modern, and thinking about education which places it first in all our plans and hopes. He stated:

> Nothing matters more to the future of our country—not military preparedness—for armed might is worthless if we lack the brain power to build a world of peace; not our productive economy—for we cannot sustain growth without trained manpower; not our democratic system of government—for freedom is fragile if citizens are ignorant.

The acts passed by the 89th Congress go a long way toward achieving these ends and making our whole population an educated, alert one, assuring freedom for each individual and for our Nation.

FIGHTING THE PRESSURES OF INFLATION

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. BARRETT] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. BARRETT. Mr. Speaker, in calling upon the Congress and upon the leaders in business and labor to help fight the inflationary pressures which threaten our economy and burden our people, President Johnson has offered us a plan that is both sound and compassionate.

I fully support this decisive call to action, and I am confident that my colleagues in the Congress and Americans everywhere will support this vital effort.

Today, we have a strong Nation—today, we have a strong economy. The overall economic growth and prosperity of the past 5 years is unparalleled in recent history. A continued prosperity will provide continued hope to the young and security to the old.

Yet, while we can point to the achievement of the past 5 years in production, increased spendable income, job creation and reduced unemployment, we must fully recognize that to preserve these achievements and surpass them, we must insure that our economy maintains its proper balance.

Today, however, that balance is threatened.

President Johnson has brought forth a four-point program calling for a reduction in low-priority Federal expenditures; a temporary suspension of the 7-percent investment tax credit; a temporary suspension of accelerated depreciation allowances; and the cooperation of the Federal Reserve Board and commercial banks in efforts to lower interest rates and loosen the tight money market.

To buttress his four-point program, the President has also called upon business and labor to exercise restraints and pursue policies compatible with economic stability. Because such cooperation is vital in stemming the surge of inflation. I know both business and labor will rally to the support of the President.

I have said that the President's action was compassionate. He recognizes full well that it is not the most deprived who must carry the burden of curbing inflation, although, too often, they have been sacrificed in the name of economic stability.

The President put the issue this way:

> I intend to conserve and save public outlays at every possible point. But it would be shortsighted to abandon the tasks of educating our children, providing for their health, rebuilding the decaying cities in which they live, and otherwise promoting the general welfare.
>
> Postponed investment in buildings and machines can be made at a later date without serious injury to our welfare. But we can never recapture the early years of a child who did not get the head start he needed to be a productive citizen, or the lost opportunities of the teenage dropout who was never given a second chance. And we can never repair the ravages of a disease that could have been prevented, or recall the lives lost by cancer that might have been cured.

Mr. President, if there is one important message in our land today, it is that we are a society moving toward greatness. Our people are volunteering to assist those still beset by poverty, deprivation, and despair. Failure to continue this important work negates our heritage of helping others, our democratic ideals, our humanitarian instincts, and our moral precepts.

The President of the United States has given us a sound battle plan to fight inflation, a plan that is analytically sound in concept and humane in its impact. I, therefore, welcome the opportunity to join him in his struggle to keep our Nation strong and prosperous.

PROPOSAL FOR AN ADMINISTRATIVE COUNSEL OF CONGRESS, OR AMERICAN OMBUDSMAN, ENDORSED BY COMMITTEE ON FEDERAL LEGISLATION OF THE NEW YORK CITY BAR ASSOCIATION

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. REUSS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. REUSS. Mr. Speaker, the August 1966 bulletin of the Association of the Bar of the City of New York contains the report by its committee on Federal legislation on my bill, H.R. 4273, proposing an Administrative Counsel of Congress.

The text follows:

PROPOSAL FOR AN ADMINISTRATIVE COUNSEL OF CONGRESS

(By the Committee on Federal Legislation)

I. INTRODUCTION

Representative REUSS reintroduced on February 3, 1965 as H.R. 4273, 89th Cong., 1st Sess., a bill to provide for an Administrative Counsel of Congress; an identical bill, S. 984, 89th Cong., 1st Sess., has been introduced by Senator PELL in the Senate. The bills have been referred to the House Committee on House Administration and the Senate Committee on Rules and Administration which have not yet reported them out. Hearings on the proposal (among others related to congressional operations) were conducted in 1965 and 1966 by the Joint Committee on the Organization of Congress, the House Committee on House Administration and the Subcommittee on Administrative Practice and Procedure of the Senate Committee on the Judiciary, which committees have not reported on the measure. The text of H.R. 4273 appears in the Appendix.

The bill provides that an Administrative Counsel of the Congress would be appointed by the Speaker of the House and the President pro tempore of the Senate for a term or terms coinciding with each Congress. "Upon the request of any Member of either House of Congress," the Administrative Counsel (aided by his staff) would be empowered to "review the case of any person who alleges that he believes that he has been subjected to any improper penalty, or that he has been denied any right or benefit to which he is entitled, under the laws of the United States, or that the determination or award of any such right or benefit has been, is being, or will be unreasonably delayed, as a result of any action or failure to act on the part of any officer or employee of the United States other than those exempted under section 6 of this Act."

All officers and employees of the United States, except those exempted, would be required to furnish information requested by the Administrative Counsel and to provide him with access to documents. He would have the right to "consult directly" with any officers or employees without obtaining the permission of their superiors.

The provisions of the bill would be applicable to all officers and employees of the United States, except "the President," members and employees of Congress, judges and court employees, officers and employees of the District of Columbia, and any other officer or

employee of the United States who the Administrative Council believes should be exempted in the public interest. The Administrative Council would be required to report back to the member or committee of Congress referring cases to him and to make an annual report to Congress.

II. BACKGROUND OF THE OMBUDSMAN CONCEPT

The role and function of the Administrative Counsel to be appointed under the Act has been likened by many to that of the Ombudsmen serving in Sweden, Denmark, Norway, Finland and New Zealand. In recent years, "Ombudsman" has become a cabalistic term, a word to conjure with. The institution has attracted the attention, largely favorable, of many commentators on administrative law and procedure, and bills for its adoption in some form have been introduced in the United Kingdom and Canada as well as in such states as New York and Connecticut and such cities as New York and Philadelphia.[1]

Although the office varies somewhat in concept and scope in its respective contexts, essentially an Ombudsman is a Government official who is appointed, usually by the legislature, to receive complaints concerning maladministration or individual injustices in the relations between the citizen and his Government. Typically the Ombudsman receives, investigates and reports on the merits of claims. In some jurisdictions, he is empowered to prosecute or to recommend prosecution of Government officials or employees who have been derelict in their duties. In all instances his responsibility is to focus public attention upon shortcomings in the administrative process and to assist individuals in obtaining redress.

The Swedish Ombudsman[2] and the New Zealand Parliamentary Commissioner provide between them, in both the civil and common law contexts, two broad-based examples of the use of the institution abroad. In Sweden, it is a misnomer to speak only of one Ombudsman, since there are three parallel and overlapping offices—the Chancellor of Justice (JK), the Ombudsman (JO) and the Military Ombudsman (MO), the last a more recently created and restricted office. The JK, whose office was in existence at least as early as 1713, is the principal legal adviser of the Crown but has a general supervisory authority over public servants. The JO dates from 1809, when the Constitution divided authority between the King and the Estates or Parliament. As an appointee of Parliament, the Ombudsman represents one of the means afforded that body to exercise control over governmental activities.

The Swedish JO is elected by Parliament for a term of four years and is usually reelected for at least one additional term. He has supervisory powers over judges and all public servants, including municipal employees, excluding only Ministers (in contra-distinction to Denmark and Norway, where Ministers are included).[3] The powers of the Swedish JO are exercised usually through criticism rather than through prosecution. The JO has wide access to documents and officials and makes such documents (excepting only certain secret or confidential materials) and the results of his investigations available to the press. The publicity resulting from such disclosures as well as from his reports, coupled with the high status and independence of the office in the eyes of the public, give added weight to the Ombudsman's recommendations and add greatly to his effectiveness.

New Zealand in 1962 appointed the first Ombudsman—really a Parliamentary Commissioner—to hold the office in a common law jurisdiction. The Parliamentary Commissioner is appointed by the Governor General on the recommendation of the House of Representatives (not the Prime Minister), for a term related to the life of the Parliament, which means a three- or four-year term. His jurisdiction is limited to work done within specified departments, excepting "sensitive" departments such as External Affairs, Prime Minister's, Defense or Inland Revenue, most of the statutory administrative tribunals and local authorities. Ministers are not directly within his purview but of course may be indirectly affected by his criticism. The two principal limits to his powers are that he has no jurisdiction over any decision, recommendation, act or omission of any person acting as legal adviser to the Crown or over any decisions where there is a right of appeal to or review by any court or constituted tribunal.

III. THE ADMINISTRATIVE COUNSEL

Although Representative REUSS has often compared his proposed Administrative Counsel to an Ombudsman, it is clear that the Administrative Counsel would be markedly different—certainly in functions and presumably also in the exercise of his powers—from the Ombudsman.

The Counsel would not receive complaints directly from aggrieved parties and would not have prosecutory powers against officials responsible for derelictions but would take up complaints only after their reference by a member or committee of Congress and would similarly report back to such member or committee. This proposal reflects in part an attempt to have the Counsel aid members of Congress in their efforts to "mediate" between their constituents and the constantly expanding and increasingly complicated federal bureaucracy. It is this role of mediator which Representative REUSS considers to be an increasingly useful means of countering the inertia and mazes of Government; it is in any event occupying more of the time of each Senator and Representative.[4]

The sponsors of the bill also justify the reference through a member of Congress as desirable to minimize any possible conflict with the doctrine of separation of powers. The argument seems to be that if the Counsel were to report to the executive branch (i.e. to agencies or departments) directly, he might be acting as a supervisor of such officials.

A more political explanation is that use of the congressional reference technique will help reduce the fears of Senators and Representatives that the new institution would bypass them in relations with constituents, deprive them of the credit for any solutions achieved and isolate them politically. Both the British and Canadian proposals call for such a reference, possibly for the same reason. In any event, one effect of such reference back to a member of Congress is to greatly reduce the independence of the Counsel; he could become an arm of the legislature, akin to the Comptroller General, a useful arm in all probability but more of a limited congressional "post-office" with investigative powers than an Ombudsman as that institution has been understood. This aspect of the proposal is underscored by the short term—two years—contemplated for the Counsel; his independence of the majority party could thereby be greatly reduced as could his ability to conduct his office in a non-partisan fashion.

The possibilities of conflict between the executive and legislative branches are obvious. In requiring that all nonexempted "officers and employees of the United States" furnish all information which is required by the Administrative Counsel, the bill goes further than such "public information" bills as S. 1160, 89th Cong., 1st Sess. (1965), passed by the Senate last year.[5] Objections to subjecting intra-agency memoranda and correspondence to blanket disclosure should be considered here, particularly since none of the protective exemptions of S. 1160 are included in the proposed bill. The bill makes no attempt, as did the New Zealand legislation, to exclude either "sensitive" departments or agencies (such as the Departments of State, Defense or Justice) or documents or at least to maintain confidentiality of certain material. Although members of the federal judiciary are excluded, legal representatives of the Government in the Department of Justice and various agencies are not so excepted, and the bill as presently drafted could subject both such representatives and intra-agency documents to scrutiny and publicity during the pendency of a legal case or dispute. The Administrative Counsel would have the right to determine not to apply the statute to any particular officer or employee of the United States if, in the discretion of the Counsel, he regarded such application as "contrary to the public interest."

The Administrative Counsel bill would not seem to be the most appropriate measure for resolving the perennial questions of the extent of executive privilege, the public's "right to know" or the precise separation of powers between the executive and legislative departments, particularly since the present draft would place the initiative on these issues in the hands of a subordinate official of Congress without the protections insisted upon by both Congress and the courts in the conduct of investigations by congressional committees. Granting the Administrative Counsel such plenary powers seems both unnecessary and dangerous. At a minimum, matters involving questions of national security or intra-department or agency "confidentiality" might be excluded from any

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[1] The literature, both legal and popular, is extensive. An excellent bibliography was published in the New York Law Journal, Feb. 16, 1966, p. 1, cols. 1–2. Professor Donald C. Rowat of Carleton University (Ottawa, Canada) has edited a symposium of articles on the institution in The Ombudsman: Citizen's Defender (1965) [hereinafter cited as Rowat], published by University of Toronto Press, and Professor Walter Gellhorn has published a series of articles on this and related subjects, *e.g.*, *Settling Disagreements With Officials in Japan*, 79 Harv. L. Rev. 685 (1966). On February 15, 1966 several committees of the Association sponsored a forum on the subject, moderated by Professor Gellhorn and addressed by Dr. Alfred Bexelius, Sweden's Civil Ombudsman, and Sir Guy Powles, New Zealand's Parliamentary Commissioner.

[2] "The Swedish word *'ombud'* refers to a person who acts as a spokesman or representative of another person. In his supervisory position the JO [Civil Ombudsman] is a representative of the Parliament, and thereby of the citizens." Bexelius, *The Ombudsman for Civil Affairs*, in Rowat, at 24 n. 2. The discussion herein of the Swedish and New Zealand institutions is based upon the articles collected in Rowat.

[3] Dr. Bexelius has observed that since a Swedish Minister cannot give binding orders to an administrative official, the omission of Ministers is less significant than would be the case in the United States. *Id.* at 26.

[4] The findings of H.R. 4273 recite that "the increasing complexity of the Federal Government has created difficulties on the part of private citizens in dealing with the Government"; that "there is a clear need for the Congress to be informed of the nature of such difficulties"; and that "the necessary and proper efforts of . . . individual Members to deal with these problems . . . constitute a serious impediment to the discharge of their other legislative duties."

[5] That measure is discussed in this committee's report on "Bills to Enlarge Public Access to Government Information," 5 Reports of Committees of N.Y.C.B.A. Concerned with Federal Legislation 41 (1966).

such inquiry as a matter of right, but it seems preferable that he be given no such mandatory powers at least initially.[6] Conferring such powers would not be necessary to carry out what appear to be the two principal objectives for the office: (1) relieving congressmen of a substantial portion of the burden of obtaining information in response to constituents' requests and complaints, and (2) permitting such requests and complaints to be handled on a more centralized, informed basis, by a staff better equipped to handle such matters than the individual congressman's staff.

Depriving the Administrative Counsel of such powers would make him resemble the Legislative Reference Service more closely than an Ombudsman, but perhaps this is inevitable in our American context. Here the right to challenge administrative decisions in the courts or within the agencies is widely recognized, probably more so than in countries having an Ombudsman. We have the doctrine of stare decisis, whereas in Sweden, one of the principal goals of the Ombudsman has been to strive for uniformity in decisions since the agencies do not consider themselves bound by stare decisis in the common law tradition. Furthermore, in no country with the possible exception of the United Kingdom, has the use of legislative investigating committees been as widespread as in the United States. Similarly, media of public information and inquiry such as the press and television focus public attention upon administrative failings probably more widely in the United States than elsewhere.[7]

The above caveats as to any unqualified importation of the Ombudsman institution into the United States do not completely dispose of the matter. The growth of governmental services, employees and bureaucracy, in approximately that order, until federal employees alone now total nearly 3,000,000 people, has brought with it protean difficulties in assuring the presence and application of standards of fairness and due process in the relations between the administrator and the administered. Long before the passage of the Administrative Procedure Act in 1946, 5 U.S.C. § 1001 *et seq.*, such problems were recognized as critical for our society. In recent years, attempts to improve the administrative process have been increasingly pressed. Some recent examples are:

(a) the Administrative Conference Act passed in 1964, 5 U.S.C. § 1045, to "provide permanent machinery whereby the Federal agencies, with assistance from non-Government authorities on administrative practice, will be able to formulate recommendations to improve Government procedures," H.R. Rep. No. 1565, 88th Cong., 2d Sess. 4 (1964);

(b) the bills submitted again in 1966 to the New York State Legislature by the Law Revision Commission with its Report and Recommendations Relating to an Administrative Procedure Act, an Administrative Rule Making Procedure Act, and a Division of State Administrative Procedure Law; and

(c) the bill pending in certain states and cities, including New York, to create some form of Ombudsman.[8]

The Administrative Counsel concept would seem to be another possible means to assist in attaining the goal of fair treatment of the citizen.

CONCLUSION

The consideration discussed above suggests that the Ombudsman concept may provide a highly useful tool, complementing others in the armory, to deal with the problems of administrative justice. Although we have expressed our reservations with respect to some provisions of H.R. 4273, we believe that the bill merits serious study and discussion by Congress with a view to possible practical utilization of some aspects of the Ombudsman concept by Congress. Creation of an Administrative Counsel by Congress may well be a desirable experiment, and perhaps would suggest the usefulness of similar approaches in the executive branch, or at least in individual departments and agencies, as well as by state and local governments.

Respectfully submitted.

COMMITTEE ON FEDERAL LEGISLATION: Fred N. Fishman, Chairman; Charles R. Bergoffen, Eastman Birkett, Arthur J. Dillon, Sheldon H. Elsen, Leonard Epstein, David G. Gill, Andrew N. Glass, Jr., James T. Harris, Jerome E. Hyman, Edwin M. Jones, Geoffrey M. Kalmus, Ida Klaus, Louis Lowenstein, John E. Massengale, Robert B. McKay, John E. Merow, Gerald E. Paley, Mahlon F. Perkins, Jr., H. David Potter, Albert J. Rosenthal, Henry I. Stimson, E. Deane Turner.

APRIL 29, 1966.

APPENDIX

[89th Cong., 1st sess.]

H.R. 4273

(In the House of Representatives, February 3, 1965, Mr. REUSS introduced the following bill; which was referred to the Committee on House Administration)

A bill to provide for an Administrative Counsel of the Congress

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Administrative Counsel Act."

SEC. 2. The Congress hereby finds and declares that the increasing complexity of the Federal Government has created difficulties on the part of private citizens in dealing with the Government, that there is a clear need for the Congress to be informed of the nature of such difficulties, particularly those of a recurrent nature, in order that remedial legislative action may be taken and that, under existing procedures, such information is only sporadically available and frequently is inadequately developed or fails entirely to reach the appropriate legislative committees. The Congress further finds that the necessary and proper efforts of its individual Members to deal with these problems have increasingly become so burdensome as to constitute a serious impediment to the discharge of their other legislative duties.

SEC. 3. (a) There shall be an officer of the Senate and House of Representatives who shall be known as the Administrative Counsel of the Congress and shall perform such duties as are prescribed by this Act. He shall be appointed by the Speaker of the House of Representatives and the President pro tempore of the Senate, without reference to political affiliations and solely on the basis of his fitness to perform the duties of his office, for a term which shall expire upon the commencement of the Congress succeeding the Congress during which he was appointed, except that he may continue to act during such succeeding Congress until he has been reappointed or his successor has been appointed. He shall receive the same salary as Members of Congress.

(b) Subject to the availability of appropriations, the Administrative Counsel may appoint such assistants, clerks, and other personnel as may be necessary to carry on the work of his office.

SEC. 4. Upon the request of any Member of either House of Congress, the Administrative Counsel shall review the case of any person who alleges that he believes that he has been subjected to any improper penalty, or that he has been denied any right or benefit to which he is entitled, under the laws of the United States, or that the determination or award of any such right or benefit has been, is being, or will be unreasonably delayed, as a result of any action or failure to act on the part of any officer or employee of the United States other than those exempted under section 6 of this Act. The Administrative Counsel may, in his discretion, confine his review of the case to the material submitted to him with the request for review, or may make such further investigation as he may deem appropriate. Upon the completion of his review, he shall report his conclusions and recommendations, if any, to the Member or committee by whom the claim was referred.

SEC. 5. All officers and employees of the United States, except those exempted pursuant to section 6, shall furnish to the Administrative Counsel such information regarding their activities within the scope of their official duties or employment as he may require of them, and the Administrative Counsel, or any of his assistants, when duly authorized by him, shall, for the purpose of securing such information, have access to and the right to examine any books, records, files, or other documents, and the right to consult directly any officers or employees of the United States without securing the permission of their superiors.

SEC. 6. (a) This Act shall apply to all officers and employees of the United States except the following:

(1) The President;

(2) Members, officers, and employees of the Senate, the House of Representatives, or any committee or joint committee thereof;

(3) Judges, clerks, commissioners, referees in bankruptcy, and other officers (other than attorneys as such) and employees of any court of the United States, regardless of whether such court is legislative or constitutional;

(4) Officers and employees of the District of Columbia or any other local governmental unit not under the supervision or control of some other department or agency of the United States; and

(5) Any other officer or employee of the United States whose activities are of such a nature that, in the discretion of the Administrative Counsel, the application of this Act thereto would be contrary to the public interest.

(b) For the purposes of this Act, the term "officers and employees of the United States" include officers and employees of any depart-

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[6] The Comptroller General has been accorded seemingly plenary power by Congress to request executive documents (31 U.S.C. § 54), but such powers (a) have been utilized sparingly, (b) have been used in furtherance of the express congressional power to oversee appropriations, and (c) have been resisted where "security" of many varieties has been involved. See *Hearings on Executive Privilege Before the Subcommittee on Constitutional Rights of the Senate Committee on the Judiciary*, 86th Cong. 1st Sess. 43 *et seq.* (1959) (testimony of Robert F. Keller, General Counsel, General Accounting Office).

[7] Professor Gellhorn, in his article *The Swedish Justitieombudsman*, 75 Yale L.J., 1,58 (1965), has commented: "For one who thinks in American terms, the Ombudsman system seems a useful device for occasionally achieving interstitial reforms, for somewhat countering the impersonality, the insensitivity, the automaticity of bureaucratic methods, and for discouraging official arrogance. To rely on one man alone—or even on a few men—to dispense administrative wisdom in all fields, to provide social perspectives, to bind up personal wounds, and to guard the nation's civil liberties seems, on the other hand, an old-fashioned way of coping with the twentieth century."

[8] The bills referred to in (b) and (c) are currently being studied by this Association's Committee on Administrative Law which plans to report on them, including consideration of them in the context of the Ombudsman concept.

ment, agency, or instrumentality of the United States.

SEC. 7. (a) The Administrative Counsel shall make an annual report to the Congress. Such report shall summarize his activities, shall include reviews of those individual cases which, in his judgment, should be brought to the attention of the Congress, and shall set forth such recommendations for legislation or further investigation as he may deem appropriate.

(b) The Administrative Counsel may, in his discretion, make an interim report on any occasion when he deems such action appropriate to carry out the purposes of this Act.

(c) Any report of the Administrative Counsel pursuant to this section shall be printed as a public document.

STRENGTHEN THE WAR ON POVERTY

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. RODINO. Mr. Speaker, Members of the House are quite aware that the Economic Opportunity Act Amendments of 1966 will soon come to the floor for our most serious consideration. We will then be called upon to again reevaluate our commitment to the millions of Americans still suffering the heavy burden of poverty and the unbearable feelings of a hopeless future.

In my home city of Newark the war on poverty has already made a decided impact, and the citizens most affected are dearly concerned and aroused to see that continued success and progress is assured. Without objection, I am pleased to commend to my colleagues a very balanced and forthright editorial from the September 12 issue of the Newark Evening News pointing out the need to strengthen, rather than cut back, our responsibility to meet the legitimate expectations of the impoverished:

ANTIPOVERTY FUNDS

Officials of Newark's antipoverty war will protest to President Johnson and congressional leaders prospective cutbacks in federal grants that may force the curtailment of Community Action programs.

They have a strong case, for Newark's successful efforts to bring the poor into planning for community and individual betterment have aroused much hope and initiative. Their abandonment or curtailment could be disastrous.

The war on poverty has probably raised more expectations than any amount of money could fulfill. But to cut back now in cities which have demonstrated their ability to use federal funds effectively would tell the poor, in effect, that Congress did not mean what it seemed to say in 1964. It would tell them that what seemed the last hope of the cities was a false vision. It would tell them that efforts at self-improvement were futile.

Cutbacks would affect not only those actually taking part in the programs in Newark—the more than 2,000 children in preschool classes this year, the 200 welfare recipients getting job training, the scores getting free legal aid, the hundreds who have been hired for the programs and the untold numbers who have found a constructive outlet for ideas and energies. It would also affect the far larger numbers who are not taking part—those who stay on the street corners and stoops. For them, retrenchment would confirm their suspicion that the affluent society is indifferent to their plight.

The antipoverty program may be in jeopardy partly because of the scandals, the political struggles, the impracticable schemes and extravagant salaries that have marked it in some cities. Congress undoubtedly reflects widespread public disillusionment. Those from Newark and other cities now justifiably seeking increased aid must recognize they have a formidable task—not only in convincing the public that much good has been done, but also in tightening their own operations so their case may be even more compelling in future years.

While they exert every effort to make the federal government aware of the urgent need, they must realize there will always be some limit—reasonable or not—on how much is available. They must seek new ways to get the most out of every dollar. There are only so many pieces in the pie, and the poverty agencies must try to make sure they provide the maximum nourishment.

But while there are limits on antipoverty funds, it is doubtful if they have been reached yet. Curbing federal spending is necessary if inflationary pressures are to be reduced, but this comes down to a matter of priorities. It would be unjust and dangerous to let the ax fall solely on the urban poor, when ample antipoverty funds could be obtained by slashing the billions now being poured into the wasteful and needless farm price support program.

SPLENDOR

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. HULL] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. HULL. Mr. Speaker, in an age of cynicism when some of our young people hide behind their beards, deriding the simple qualities of normalism and patriotism, it is refreshing to read something like the short essay written by 14-year-old Alyne Greenberg, of St. Joseph, Mo., the daughter of Mr. and Mrs. Alvin Greenberg.

Under leave to extend my remarks, I include her essay:

SPLENDOR

It was a warm June afternoon as we drove in heavy traffic down North Capitol Street. All of us were craning our necks for the first glimpse of the Capitol Dome. And there it was! The sun glistened as it reflected in the majesty of the white domed edifice; my heart skipped a beat. As we slowly approached it, we were able to see its white marble pillars. I thought of what all of it meant and represented to me . . . Freedom . . . Being a free American and being able to say, "I belong." I felt proud to belong to it and even prouder of my heritage as an American. Then I saw the flag . . . Our beautiful flag, fluttering softly in the breeze. It seemed to say, "Here, look at me! I am free . . . free . . . free!" Closer and closer we came.

Climbing the steps slowly, one by one, I was aware of nothing around me but the beauty. On the portico, I turned slowly around in order to burn it into my memory. In a direct line was the most stirring sight I had ever seen in my entire life. Against a background of shimmering blue was the Washington Monument reflecting its slenderness and stalwartness in the lagoon. Directly behind it, but off in the distance, was the magnificent Lincoln Memorial, and yet further off stood the stately Jefferson Memorial. Then in the horizon in the summer's haze, and in eternal sleep, Arlington, the resting place of our heroic servicemen and the late President Kennedy.

Yes, this vista was truly a sight to behold.

It was like a clash of cymbals . . . the beat of a kettledrum . . . "America the Beautiful" . . . "The Star-Spangled Banner" . . . All culminating in one tremendous crescendo saying "Mine, mine. This is mine! My country! My freedom!"

SUEZ—10 YEARS LATER

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. MULTER. Mr. Speaker, 10 years ago fighting erupted in the Middle East when Nasser seized the Suez Canal.

Harold Greenwald, in a recent issue of the Synagogue Light, reviewed the events of 1956 within the context of today's world. I commend Mr. Greenwald's article to the attention of our colleagues:

FACING EAST: SUEZ—10 YEARS LATER

(By Harold Greenwald)

"We should not assume that if Israel withdraws, Egypt will prevent Israel's shipping from using the Suez Canal or the Gulf of Aqaba. If, unhappily, Egypt does hereafter violate the Armistice Agreement or other international obligations, then this should be dealt with firmly by the society of nations."—Dwight D. Eisenhower, February 2, 1957.

Israel did withdraw and the Suez Campaign of 1956 ended.

The Canal has not been opened.

The Canal boycott finds its counterparts in countless facets of international economic, political, social and even religious activity.

The Gulf of Aqaba, opened by force of Israel's unaided arms, remains open. Incursions from across the Egyptian border have abated. Ten years of comparative peace have ensued. But Arab threats to "push Israel into the sea" are still expressed, still form the facade for such Arab unity which survives revolts and juntas, and still influence the successive making and breaking of Arab alliances.

Those threats directed against Israel's survival are no less ominous today than at any time heretofore. An unsettled Middle East has long been the norm. Turbulence within Middle East nations has formed a way of life. From time immemorial, strife among Middle East nations has made legendary such places in the Holy Land as Har Megiddo, site of the biblical Armageddon.

U.S. RENEGES ON ITS PROMISE

In 1956, the need to end border harassment and to gain access to the sea impelled Israel's resort to arms. The former objective and part of the second, Israel achieved and has retained. Eilat is open to the Orient. The Eisenhower statement seemed at the time to have settled the issue as to the Suez. It did not and Israel remains aggrieved by what many here regard as abandonment, if not betrayal. No one, in or out of Israel, expects of an American president or of his Secretary of State, that he was chosen to advance the

interests of Israel. Few, in or out of Israel, believe that America's post-Suez conduct was motivated other than by the intent to serve the United States and American interests. However, events have proven that course to have been wholly ill-conceived. Despite an unmistakable similarity between Hitler and Nasser, the old Chamberlain gambit was repeated and the results may prove to be costly to us, as they have already been to Israel.

Now, into the old maelstrom of men and factions struggling for domination, new forces and new ingredients are being added at an accelerating rate and with explosive implications.

COMMUNIST THREAT IN THE MIDDLE EAST

The new force is Communism. Russia is an old hand at subversion and domination. China, rapidly emerging, is challenging Russia for preeminence in the Communist world. Russia has established various strong points in the Middle East from which she is striking out for greater exploitation, picking her spots with the skill of a marksman. China is playing the field, wooing all of the Arab states, antagonizing none.

New ingredients include the Bomb and rich Egyptian oil strikes in the Suez peninsula, from whence Israel withdrew in reliance upon the Eisenhower declaration quoted above. The foothold in the Middle East which Russia gained by supporting Nasser, with our concurrence ten years ago, seems secure. Her appetite is limitless and her objective direct. The prospect of new oil riches does not abate that appetite; Kosygin's recent visit to Egypt does not blunt that objective.

As American foreign policy properly should be pro-American, so Russian foreign policy is understandably pro-Russian. Russia is not merely anti-Israel, or pro-Syria, or pro-Egypt; that is her current pro-Russian stance. She is currently pro-Egypt, enjoying the position of virtually a creditor in possession. She is currently anti-Israel in order to be consistent with the posture of the Arab world which she covets and means to control. And she is currently pro-Syria not only because Syria is Arabic, not only because the Syrian government more than ever is now *notoriously* tenuous, but simply because Russia wants Middle East bases and Syria supplies them.

Against a background of United States foreign information centers set afire, American flag desecrations and stoned American embassies, Russia quietly but effectively has been tightening her tentacles on the Middle East. Following the recent joint communique by Kosygin and Nasser, there was widespread belief that its comparatively innocuous tone promised a continuance of the status quo. One fallacy in such thinking was derived from comparing the conservative Kosygin with the bellicose Khrushchev. Whereas the latter was forced under party hindsight to retract certain of his implusive utterances, the former is sparing with his words, which are spoken only after careful deliberations. Khrushchev often meant less than he said—Kosygin means at least all that he says.

MILITARY INCURSIONS UPON ISRAEL

It will be remembered that Syrian terrorist activity preceded Kosygin's visit to Cairo. In addition to El Fatah raids, by marauders trained and financed in Syria who crossed over from Jordan, mines were planted in Almagor, where the Jordan River flows into the Sea of Galilee, killing Israeli farmers. Thus were Russia and Egypt, not only Israel, reminded that Syria was to be reckoned with. This reminder was not subtle, to be sure, but neither was it to be overlooked. Indeed, it may even have been inspired by Russia in order to speed an Egyptian-Syrian rapprochement. It was intended, moreover, to provoke Israel into military reprisal which, because of the topography would have had to be in force, and so enable Syria to complain that she was being menaced by Israeli aggression. Israel did attack—not by planes or artillery but in the United Nations.* For once Israel was a complainant, not a defendant, in this world forum. Did this deter Syria from crying out that she was in danger of armed aggression? It did not and, more significantly, Russia has taken up the hue and cry and we have today a Moscow-Damascus axis which hardly is a harbinger of peace in the Middle East.

It would have been unseemly for giant Russia to issue a warning in Syria's interest directed against tiny Israel; the fact is that Israel is not the real target. The warning is directed against an "imperialist plot" hatched by the United States and Britain and, playing the game by her own rules, Russia asserts that Israel is used as a pawn in that "plot." Syria's obligation to Russia is manifest and Russia has never been an easy creditor. How she is to be paid off remains to be seen, but there is no dearth of Syrian assets available for that purpose. Russia has a Mediterranean fleet. That fleet, equipped with atomic weapons and based in a Mediterranean port, could easily fill the vacuum left by such international contingencies as England's departure from Aden.

WILL HISTORY REPEAT ITSELF?

Under Russian leadership, Syria and Egypt might again unite and Arab rivalries to Nasser's pan-Arabian leadership, again with Communist support, could be overthrown. This is the direction of the coming Egyptian effort and with the new ingredient, Sinai oil, the Western World could be completely removed from the area. Old Arab debts could be repaid. New Arab debts could be contracted on terms dictated by the debtor. Indeed, the prestige of the large oil companies could again shape American foreign policy and moral considerations could again be silenced.

Communism, whether Russian or Chinese style, is so potent a factor in the Middle East that France, once a major power here, is expected to seek a detente. Britain, formerly supreme, is preparing to let go. The United States, previously off on a tangent and presently preoccupied elsewhere is striving to hang on, spending her resources in appeasement after appeasement.

The United States erred grievously ten years ago. Mr. Dulles was ill and Mr. Herbert Hoover, Jr., a top oil executive, was then Acting Secretary of State.

President Eisenhower's policy of alignment with Russia appears in retrospect to have been influenced by considerations devoted to oil rather than to principle. Under that influence, and in the guise of serving the peace of the world, French, British and Israeli forces were caused to withdraw from Sinai and from the Suez Canal. Communism, not world peace, was served. As regards the Middle East, France and Britain are but shadows of their pre-Suez selves. Notwithstanding her many difficulties, however, France remains, as of this writing, the most stable force and Israel's most dependable ally in the Middle East. Russia, alert to danger signals in Morocco, Tunisia and Saudi Arabia, is on the move in Egypt and Syria. China will become variously Russia's partner and her rival, but never a friend of the free world. The United States, tied down in Vietnam, may yet pay a heavy price for Middle East crumbs.

Israel, without great natural resources in a power-hungry world, will have to rely upon her human resources—skilled, resourceful, dedicated and selfless.

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* Following this writing it was learned that Israel found itself compelled to resort to military action as well.

On July 4, one hundred and ninety years after the founding of the Republic, the John F. Kennedy Memorial and Peace Forest was dedicated in Jerusalem. Among the words of that martyred President which live on, are the following:

"Israel is the bright light now shining in the Middle East. We, and ultimately Israel's neighbors, have much to learn from this center of democratic illumination—of an unprecedented economic development, of human pioneering and intelligence and perseverance.

"It is time that all of the nations of the world, in the Middle East and elsewhere, realized that Israel is here to stay: she will not surrender—she will not retreat—and we will not let her fall."

It is fitting that these words, as well as those of the 34th President, be remembered and if necessary, that they be implemented lest Israel's resources be unequal to a final test.

Our support for Israel and our determination not to allow it to fall prey to its Arab neighbors was reiterated by President Johnson when President Shazar of Israel visited the White House on August 2, 1966. At that time our President said:

Above all, Mr. President, we share in common the vision of peace you call *shalom*.

The prophet Micah described it in this way: that every man sit under his vine and fig tree and "none shall make him afraid."

As our beloved, great, late President, John F. Kennedy, said on May 8, 1963, as a declaration of the leader of this country and as spokesman for this land: "We support the security of both Israel and her neighbors. . . . We strongly oppose the use of force or the threat of force in the Near East.

"We subscribe to that policy."

COMMODORE JOHN BARRY DAY

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentlewoman from New York [Mrs. KELLY] may extend her remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mrs. KELLY. Mr. Speaker, today we are honoring the memory of one of this Nation's greatest naval heroes, Commodore John Barry. The gallantry and outstanding achievement of this modest, but brilliant Irishman, who readily embraced the spirit of his adopted land and the cause of the American Revolution, have caused many to call him Father of the American Navy.

As the man who became our first American commodore, he not only displayed great skill and courage at sea and in combat, but great constructive genius as well. In 1802, 1 year before his death, his long and devoted service caused the Secretary of the Navy to single him out for high and honored praise as this country's senior officer of the Navy. And in the many years since then, his lifetime of constructive patriotism and courage have been perpetuated as an inspiring example of devotion to the welfare of one's country. He has long been the hero of song and story.

Each year the 13th of September, the day of his death, is remembered as Com-

modore John Barry Day. It is a time to remember the rich legacy left to the American people by a modest young Irish immigrant who grew to brilliant preeminence. His vision and dedication stands as a lesson and blessing to all of us.

BEST WISHES TO THOSE OF JEWISH FAITH ON ROSH HASHANAH

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentlewoman from New York [Mrs. KELLY] may extend her remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mrs. KELLY. Mr. Speaker, it is appropriate during these days of awe that I extend my most sincere wishes to those of the Jewish faith. This great section of the American population through day-to-day adherence to the principles of the Old Testament, has greatly contributed to the moral and intellectual growth of our Nation, over the past year, the past decade, the past two centuries.

As men of good will everywhere grope for peace and understanding, may the current observance of Rosh Hashanah bring new hope and new inspiration to the Jewish people, in order that the worthy ideals of Judaism may prosper in the coming year.

I would also like, at this time, to join in asking the blessing of God upon the Republic of Israel and in praying that its people may be strengthened in their struggle to maintain a bulwark of freedom in a land redeemed through heroism, courage, and great sacrifice.

I ask my fellow Americans of the Jewish faith to accept my best wishes for health, happiness, and the delights of accomplishment during the coming year, as well as the hopeful vision of tasks to be attempted and goals to be approached through the years to follow.

LEGISLATION INTRODUCED TO PROVIDE FOR CONSTRUCTION OF NUCLEAR DESALTING PLANT

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HANNA] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. HANNA. Mr. Speaker, today I have introduced legislation which would provide for the participation of the Department of the Interior in the construction and operation of a large prototype desalting plant off the Orange County coast in southern California.

This project will be constructed on an artificial offshore island. It will utilize two nuclear reactors with an electrical capacity of about 1,800 megawatts and a sea water desalting plant which will produce 150 million gallons daily of distilled water—enough to supply a city the size of San Francisco.

The total capital cost of the dual power producing and desalinization project will be $400 million of which the Department of the Interior is being asked to participate in the amount of $57.2 million.

A very detailed study of this proposal has been conducted by an independent engineering firm, and it shows the project will have a very high level of return in comparison with the initial expenditure. It shows that large scale desalting is economically feasible, and that the excess power produced by the reactors can be used to help fulfill our ever-growing need for electrical power.

The project has the support, both in terms of capital and cooperation, of two of the Nation's leading private power companies—Southern California Edison Co. and the San Diego Gas & Electric Co. These companies have further agreed to purchase all the excess power produced.

The Los Angeles Metropolitan Water District, which distributes water throughout southern California, has agreed to support and cooperate in the project. One of the main points in favor of the project is that it is a water source independent of the flow of river and aquaduct systems, and, in an emergency, it might well prove more valuable than any of us are now predicting.

This will be the world's largest desalinization plant. It will be a showplace of great interest to the people of the many areas around the world, and in our own country, who are in need of water and power, and to those who see the day rapidly approaching when this need will arise.

The President of the United States has asked Congress to approve this project. The distinguished chairman of the Committee on Interior and Insular Affairs has agreed to introduce a companion measure. It is my hope that we can act with dispatch and thereby assure the earliest possible completion of this most worthy project.

THE VIETNAM ELECTIONS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. CRALEY] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CRALEY. Mr. Speaker, on Sunday we witnessed a very significant stage in the development of democratic government and national independence in South Vietnam. I was impressed with the healthy and enthusiastic turnout for the elections, a support for the electoral process that exceeded the most optimistic expectations.

Much remains to be done in building a secure and stable government in an area for centuries dominated by stronger neighbors. I think the Saigon government is to be congratulated on the achievement of this first and important step. I should like to wish every success to the new constituent assembly in their constitution making. I believe the American people in their support for this struggling nation have rendered important help at a crucial time.

The New York Times carried an editorial commenting on the election which I shall include here in the RECORD:

AFTER THE ELECTION

The natural sequel to the successful election in South Vietnam on Sunday is to try to calculate what effect it may have on the efforts to bring about negotiations and an ultimate truce or peace.

Logically, the results should convince Hanoi that the Saigon Government now has an enhanced and legitimate status of its own as a national entity. Whatever government finally comes out of the long process of constitution making, congressional or legislative assembly meeting, will not change the general picture insofar as the prosecution of the war is concerned. If there is to be a change it has to be on the North Vietnamese side and this is not going to be an overnight development.

But the election may lead in time toward a better balance of the forces within the two Vietnams. Marshal Ky was understandably elated by the results, but he was much too optimistic in saying, as he did yesterday, that "we now have the conditions for final victory." The sort of victory he contemplates—or certainly always has in the past—is military. It comprehends the defeat of the Vietcong and the North Vietnamese, plus the acceptance of that defeat by Communist China and the Soviet Union. This, of course, will be a very long journey from Sunday's election that could not embrace all of the South Vietnamese and that did not immediately make South Vietnam militarily stronger or her enemies militarily weaker.

So far as the United States is concerned, just as many American troops, planes and as much materiel are going to be needed as before, because the war is as tough and costly as it ever was.

What has happened provides some hope that a government can be organized in Saigon in the course of the coming year or two which will have a good deal of popular support. The militant Buddhist opposition should not now be able to cause anything like the trouble it did last year. And though Vietcong naturally will refuse to concede the fact, the election was hardly a demonstration that they enjoy the support of South Vietnam's population outside the regions they control.

Since no war lasts interminably, the Vietnamese conflict is going to end some day. The problem is to create the conditions that will permit it to end as soon as possible. A military victory is unlikely. Sooner or later the end will come around a negotiating table. It will, in effect, be a political solution. The election in South Vietnam is one step toward preparing the stage for an eventual settlement.

INDUSTRIAL PROGRESS IN THE VIRGIN ISLANDS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. O'BRIEN] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. O'BRIEN. Mr. Speaker, as further demonstration of the economic growth and industrial progress in the U.S. Virgin Islands, another great bank

opened its doors there yesterday, September 12. I salute New York's First National City Bank and wish good luck to Mr. Robert Eastham, manager of its new bank in Christiansted, St. Croix.

As it opens its doors for business, this bank has every reason to be confident of the future.

The island of St. Croix has experienced a tremendous economic growth in recent years; most recently noted by the establishment of a $50 million alumina plant and a multimillion dollar petrochemical complex now under construction. Tourist trade in 1965 was $54 million, an increase of $6 million over the previous year. St. Croix, the largest of the U.S. Virgin Islands, has a population of around 20,000 people with a per capita income of $2,000, by far the highest in the entire Caribbean area.

Linked to the mainland and other Caribbean islands by several airlines and boat services, St. Croix is destined to be one of the most important commercial centers in that area. Among the reasons why New York's First National City Bank is starting operations in St. Croix, is their desire to help in the island's development, and to show the faith it has in the future of the Virgin Islands.

Heading the list of distinguished banking executives participating in the opening ceremonies was Mr. George C. Scott, senior vice president of the First National City Bank in New York. Mr. Robert Eastham, manager of the St. Croix branch, was host to the industrialists, businessmen, and high government officials from the Virgin Islands present at the inaugural ceremonies. Virgin Islands government officials participating included Hon. Ralph Paiewonsky, Governor of the U.S. Virgin Islands; Hon. Ciryl King, Government Secretary; and Hon. Dr. Aubrey Anduze, Administrative Assistant for St. Croix. The new First National City Bank branch in St. Croix, marks Citibank's first entry in the Virgin Islands market, although it has been operating in other parts of the Caribbean for several years. Among the countries where First National City Bank now operates in the Caribbean area are, Puerto Rico, Dominican Republic, Jamaica, Trinidad, and the Bahamas.

VIETNAM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 15 minutes.

Mr. HALPERN. Mr. Speaker, the war in Vietnam continues to arouse the gravest anxiety among people here and abroad who are earnestly concerned with building peace and order in the world.

The President has repeatedly stressed that our objectives in southeast Asia are limited. The assistance we are rendering does not give us license to dictate the political destiny of the South Vietnamese. This is a point which must be reemphasized, and which must be made credible to the Asian peoples. The President has reaffirmed that American forces are in Vietnam to help the Vietnamese defeat aggression and defend self-determination. This can only be interpreted as a carefully prescribed engagement. As a foreign power on the Asian Continent, we should resist the tendency to escalate both the commitment and the means of military self-defense.

Several weeks ago, Premier Ky was quoted as welcoming an invasion of North Vietnam and an eventual confrontation with Red China. Although this statement has been subsequently modified, militarists may be setting their sights far beyond the expressed aims of our own Government, whose interest lies in insuring that the South Vietnamese people can freely choose their political and social course. There can be no ambiguity on this point; we must consistently disavow professed ambitions which outrun the American purpose in Vietnam.

Those who understand the limited nature of our stand in Vietnam must not be tempted into arguing blithely for some wider war which, supposedly, can more speedily produce what is described as "victory."

The world must know that American policy, despite the deployment of over 300,000 men, aims at a peaceful solution of this conflict.

It is doubtful as to whether the bombing of North Vietnam, and the continuing increase of American manpower, can alone bring about the conditions conducive to negotiation. Indeed, the truth may be that escalation breeds counter-escalation, and that a broader military employment strengthens the resolve of the North Vietnamese. Because these questions, in terms of the future, cannot be answered with surety, the United States must redouble its efforts, through all available channels, to find the path to peace.

One recent, welcome development was the proposal of Thai Foreign Minister Thanat Khoman, sponsored by the Governments of Malaysia and the Philippines, for convening an Asian conference on Vietnam. This was envisaged as a gathering of the noncombatant Asian states to discuss various means toward bringing the war to a close.

As one who has consistently asked for greater efforts in reaching a diplomatic settlement of this war, by urging our Government to declare its willingness to reconvene the Geneva Conference, and to press vigorously for a more effective United Nations role, I feel that this suggested meeting, eminating from Asian states, could make a major contribution. I urge that our Government officially and relentlessly pursue this proposal with Asian statesmen.

Whatever the extent of our involvement in South Vietnam, the effects of this conflict are and will be felt in Asia. Thinking of the future, the United States cannot ignore or become divorced from vital currents of opinion in Asia with respect to its policies there. We should make every attempt to encourage the governments of Asia to discuss collectively the American presence in Vietnam, and endorse their initiatives toward finding the basis for a peaceful accord of the war.

THE 25TH ANNIVERSARY OF THE SEABEES, AND THE 100TH ANNIVERSARY OF THE CIVIL ENGINEER CORPS OF THE U.S. NAVY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. TEAGUE], is recognized for 15 minutes.

Mr. TEAGUE of California. Mr. Speaker, I introduced a measure in this body yesterday to authorize the striking of medallions in commemoration of the 25th anniversary of the U.S. Naval Construction Battalions—Seabees—and the 100th anniversary of the U.S. Navy Civil Engineer Corps—CEC.

The Engineer Corps anniversary will occur next year on March 2 and the Seabees anniversary on March 5.

I rise today to call attention to my bill because I believe it to be a most fitting occasion. This morning at the White House, the first Seabee in the illustrious history of the organization was awarded, posthumously, the Medal of Honor by the President.

Marvin Glenn Shields, CM3, of Port Townsend, Wash., died on June 10, 1965, from wounds received while members of his unit, Seabee Team 1104, were assisting in the defense of the Special Forces camp at Dong Xoai against an attack by the Vietcong. The attack began late the previous night.

While assisting a wounded Army officer to a safe position, Shields sustained wounds about his face, neck and back. Despite these wounds he continued steadfast in fighting against the Vietcong, both by means of his rifle and by throwing hand grenades.

When light broke on the morning of the 10th, Shields readily volunteered to assist in destroying an enemy machinegun emplacement. Though he had never used a 3.5-inch rocket launcher before, he performed the job well and was instrumental in destroying the position while under heavy enemy fire.

In returning to his previous position machinegun fire struck his right leg, nearly tearing it off. Though mortally wounded, he was able to move to a sheltered position and received aid. Throughout the remainder of the morning he was instrumental in keeping up the spirits of the defenders by laughing and making jokes.

Shields died that afternoon shortly after being evacuated by helicopter.

Construction Mechanic Shields is survived by his wife, Joan, an infant daughter, and his mother, Mrs. Victoria Cassalery, all of Port Townsend. The first Seabee Medal of Honor in history was presented this morning by the President to Joan Shields. It was also the first Medal of Honor to be awarded a Navy man in the Vietnam war.

Construction Mechanic Shields received his training at the U.S. Naval Construction Battalion Center at Port Hueneme, Calif., "Home of the Pacific Seabees," which is located in the district I have the honor of representing in this body. From there he went forth to his death in defense of his country, in an act of bravery "above and beyond the

call of duty," earning for him the Nation's highest military award.

Mr. Speaker, under unanimous consent, I am inserting in my remarks at this point the text of two issues of Seabees in Action, which is published by the Naval Facilities Engineering Command. The first of these is entitled "Story of the Seabees: World War II to Vietnam" and the second is entitled "The Dong Xoai Story, June 9–10, 1965."

STORY OF THE SEABEES—WORLD WAR II TO VIETNAM: THE SEABEE TRADITION

(By LCDR W. D. Middleton)

The Navy's Seabees were less than six months old when their first unit came under fire early in World War II. Only three weeks after the Marines assaulted the beaches of Guadalcanal in August 1942, Seabees of the Sixth Naval Construction Battalion followed them ashore to begin the difficult job of converting a muddy former Japanese landing strip at Henderson Field into an all-weather airfield capable of supporting anything from fighter aircraft to Army B–17's.

The construction job was tough enough, but to make matters worse Henderson Field was under almost constant attack by Japanese artillery and aircraft, and great craters were torn in the airfield every time a bomb or shell scored a hit. As if all this didn't give them enough to do, the Seabees had to be ready to take up positions in the defensive perimeter in the event of Japanese landing against the narrow beachhead.

Typical of Seabee ingenuity at Guadalcanal were the "crater crews" that rushed to repair the damage after every hit on the airfield. Quickly learning from experience, the Seabees stockpiled Marston matting (the pierced steel planking used to surface the field) along the runway in bundles sufficient to repair an average sized hole. Construction equipment and trucks, already loaded with enough sand and gravel to fill a bomb or shell crater, were placed under cover at strategic points along the runway.

Whenever Japanese bombers approached or artillery opened up, the Seabee "crater crews" raced from their foxholes, tore away damaged matting, backfilled the craters, and quickly laid down new matting. Before long the Seabees were doing the job so rapidly that forty minutes after a bomb or shell it was impossible to tell that the airfield had ever been hit.

Throughout the three-month battle for Guadalcanal the Seabees performed construction miracles to expand Henderson Field and to keep it open, at one time continuing work even when Japanese troops had pushed the Marine front line to within 150 feet of the field. During one particularly fierce attack, the Japanese put no less than 53 bomb and shell holes in the airfield during a 48-hour period.

But despite the worst efforts of the enemy forces, the Seabees were able to keep Henderson Field open throughout the bitter campaign, and their success in keeping Marine fighter planes in the air played no small part in the eventual U.S. victory at Guadalcanal. Thus was begun the Seabee "Can Do" tradition of World War II.

SEABEES AND MARINES

One of the earliest traditions developed by the Seabees of World War II was an unusually close comradeship with the United States Marines. Although they fought and built almost everywhere in the global conflict, and worked with Army troops and fleet sailors as well as Marines, the Seabees' greatest contribution to World War II victory was the role they shared with Marines in the bitter island-hopping war in the Pacific.

Based upon mutual respect and shared hardships, the Seabee-Marine fellowship was born as early as 1942, when Marines and Seabees worked and fought side-by-side throughout the bloody battle to hold the Guadalcanal beachhead and to keep the Henderson Field airstrip open to Marine fighters and Army bombers. In this and later Pacific campaigns the Seabees learned to admire the Marines' unsurpassed skill as professional fighting men, and the Marines became equally impressed with Seabees skill as professional builders.

As often as not this Seabee-Marine mutual esteem was expressed in good-natured jokes at each other's expense. Recruited largely from the ranks of skilled construction workers, the average Seabee was ten years or more older than the typical Marine. Soon after the first Seabees came ashore at Guadalcanal the Marines were joking, "Never hit a Seabee, he might be some Marine's father." The Seabees quickly retaliated by manufacturing "Junior Seabee" badges, which they awarded to deserving Marines. And the Seabees like to claim, "Marines only capture territory, it's the Seabees who improve territory."

In a classic piece of one-upmanship on one occasion during the Pacific campaign, the Seabees managed to best the Marines' proud boast of always getting places first. At New Georgia in July of 1943 a detachment of Marines charged ashore from landing craft in a dawn assault and rushed up the beach looking for Japanese troops, only to be greeted by a party of Seabees that had already landed on the enemy-held island to make a reconnaissance for an airfield site.

The close relationship that grew up between Marines and Seabees during World War II has continued throughout the postwar years. As they have ever since the formation of the first construction battalions 24 years ago, Marines still guide and assist Seabees in learning their necessary fighting skills. Much of the Seabee construction effort since the end of the war has been devoted to Marine Corps facilities. And today, in the Republic of Vietnam, the Seabees are devoting almost their entire effort to the construction of advance base facilities to support the operations of the Third Marine Amphibious Corps.

SEABEE INGENUITY

One of the earliest Seabee traditions to emerge during World War II was the almost legendary ability of a Seabee to improvise. Hastily formed and rushed into the war, the early construction battalions were nowhere near as well equipped as the present-day battalions. Frequently, too, supplies of construction materials and spare parts were insufficient for the job at hand. None of this, however, deterred the resourceful Seabees from getting the job done.

Early in the Solomon's campaign, for example, the 15th Construction Battalion was handicapped by a lack of machine tools. A Seabee warrant officer, who had been a machinery salesman before the war, set out on a trip to New Zealand, where he successfully repurchased equipment from his former customers, and the Seabees soon had a well equipped machine shop. More equipment was scrounged from the aircraft carrier Enterprise in return for repair jobs. Before long the Seabees were taking in repair work from the Army and Marines, and were even repairing airplanes.

Lacking a replacement for a blown out bulldozer head gasket, Seabees in the Ellice Islands fashioned a replacement from thin sheets of metal and paper, and quickly put the 'dozer back into service. A Seabee chief on Samoa manufactured a replacement condenser out of waxed paper, tinfoil from cigarette packages, and an old beer can in order to keep one piece of equipment operating. On Guadalcanal another Seabee petty officer kept captured Japanese trucks in operation by improvising replacement radiators out of metal ammo boxes, a method that was soon being used all over the Pacific. Other Seabees learned how to keep tractors running by mounting fuel drums in place of smashed radiators.

The 55-gallon fuel drum, as a matter of fact proved to be one of the most useful of Seabee construction materials. With the ends cut out and welded together, thousands of drums were converted into culverts. Split down the side and flattened, they made excellent roofing material. One group of Seabees even manufactured a sightseeing canoe from fuel drums.

Worn out tires that would no longer hold inner tubes were kept in service by filling them with a mixture of palm tree sawdust and cement. Beer and Coke bottles were used as insulators for power and telephone lines. Seabees learned how to make replacement watch crystals out of plexiglass from wrecked planes, devised a method of welding broken dental plates with a mixture of ground rubber and cement, and one Seabee machinist even manufactured a pair of silver stars from two quarters for a newly promoted general. Other Seabees made extra money during off-duty hours by manufacturing fake Japanese battle souvenirs and native jewelry for sale to gullible new arrivals.

Perhaps the best-known of all stories of Seabee ingenuity, however, is that of a first class petty officer named Aurelio Tassone, who converted a bulldozer into a piece of combat equipment during the Treasury Islands campaign in 1943. Coming ashore on his bulldozer, Tassone found that a Japanese pillbox was holding up the advance. While a Seabee lieutenant provided covering fire with a carbine, Tassone raised his blade as a shield against enemy fire and advanced on the pillbox. At the last minute Tassone dropped the blade and demolished the emplacement.

SEABEES' MAGIC BOX

Probably the least glamorous in appearance of all the new "weapons" that helped the U.S. to win World War II was the lowly steel pontoon—the Seabees' "magic box"—that became an indispensable tool of a hundred purposes for the U.S. Navy's mighty amphibious forces.

Civil Engineer Corps planning as early as 1936 had forseen a need for a variety of barges, small yard craft, and other miscellaneous floating equipment in the event of a major amphibious war in the Pacific. By 1940 a CEC captain, John N. Laycock, had set to work in earnest developing his ideas for a standardized steel pontoon that could be assembled into an almost endless variety of floating equipment. By early 1941 the first experimental pontoons had been successfully tested and soon thousands of them were in production.

The basic pontoon was little more than a steel box five by seven by five feet. The real key to its versatility was the system of heavy steel angles and special hardware, or "jewelry," developed by Capt. Laycock which permitted the pontoons to be assembled in a wide variety of arrangements. Strings of pontoons were assembled for use as barges or piers, and with the addition of a specially developed outboard propulsion unit, the amphibous Seabees had a self-propelled barge or a warping tug for work around a harbor or beachhead. Cranes, pile drivers, dredges, and almost any other kind of equipment for waterfront work could be mounted on a pontoon barge. Arranged as a barge with pontoon walls on each side, and equipped with the necessary piping and pumping equipment, a batch of pontoons could be assembled as a floating drydock for PT boats and other small craft.

Seabees, of course, found many more uses for the versatile pontoons than those envisioned by its designers. Many saw service as fuel and water tanks, and a pontoon with

the addition of a little piping could be mounted on a flat bed truck to make a water distributor. With the addition of a door a pontoon made a fine paint or gear locker. A Seabee cook in the Russell Islands even converted a pair of the pontoons into an oven and grill.

The pontoon really came into its own, however, in the Allies' 1943 landings in Sicily. The Navy's versatile LST had been designed to approach a steeply sloping beach, drop its ramp, and disgorge its load of tanks and other vehicles directly onto the shore. Since they assumed the LST's and other large landing craft couldn't get close enough to make a landing on the shallow sloping beaches along much of the southern shore of Sicily, the Germans had installed only relatively light defenses.

The ingenious Capt. Laycock, however, had already gone to work on a new use for his versatile pontoons. Special hardware and fittings were devised that permitted assembly of the pontoons in long two-pontoon wide causeway sections, which were hung on the sides of the LST's. As the landing ships approached the shore the causeway sections were cut loose, dropped into the water, and their momentum carried them into the beach. The intrepid amphibious Seabee crews that rode the pontoons quickly connected the causeway sections, the LST's were "married" to the outer end, and in a matter of minutes vehicles were rolling ashore.

First used in the Sicily landings, where causeways over 300-feet long were employed to land allied forces where they aren't expected, the new pontoon adaptation was a major factor in the success of the operation, and for the remainder of the war the LST-pontoon causeway combination was used in almost every major amphibious assault.

Even today, a quarter of a century after its development, the versatile pontoon remains as a workhorse of the amphibious Seabees. Only last May, when MCB-10 and Marine Corps forces landed at Chu Lai, Republic of Vietnam, their equipment, and supplies went ashore over the familiar pontoon causeways.

"RHINOS" IN OPERATION OVERLORD

Among the difficult problems faced by planners of "Operation Overlord," the great Allied invasion of Normandy in 1944, was one presented by the character of the beaches where the landings were to take place. At both Utah Beach and Omaha Beach, where the U.S. forces were to land, the slope of the beaches was unusually flat, and the water line moved up or down the beach a half mile or more as the tide rose or fell. Just off the shore and running parallel to the beach, sandbars—whose position shifted constantly with the tide or storm conditions—presented still another problem.

Because of these positions, it would have been almost impossible to use LST's or other amphibious craft in the usual manner. Landings could have been made at high tide, but unless the vessels were quickly unloaded, the rapidly receding tide might leave them stranded high and dry on the beach, exposed to German attack until the tide came back in and refloated them. If landings were made at low tide the vessels would ground on the sandbars, leaving troops and vehicles with deep water between them and the shore. Even if they were able to get past this obstacle, the inrushing tide might overtake them before they could get all the way up the beach.

Under these conditions even the Seabees' famous pontoon causeways, first used the year before in Sicily, would have been unable to bridge the gap between ships and shore. The Civil Engineer Corps' CAPT John Laycock, who had originally developed both the pontoons themselves and the pontoon causeways, quickly came up with still another variation of the Seabees' "magic box" to solve the problem of the Normandy beaches.

One hundred-eighty of the pontoons were assembled into a huge ferry barge, six pontoons wide and thirty pontoons long, powered by two of the large outboard motors developed for use with smaller pontoon barges. A specially developed loading and unloading ramp was placed at one end. Big enough to take half an LST load of supplies and equipment, the pontoon ferries were designed to "marry" an LST safely anchored in deep water. As soon as the ferry was loaded it cast off and headed for the beach under its own power. With its shallow draft the pontoon ferry could easily get over the treacherous sandbars to the beach. Only two trips were needed to unload an LST, and then the ferry proceeded to unload another ship.

To a naval aviator, who happened to fly over one of the first experimental models at Quonset, R.I., the Seabees' pontoon ferry looked more like a rhinoceros than anything else, so before long, "rhino ferry" became their unofficial name.

As the great Normandy invasion grew nearer, Seabees of the 81st and 111th Construction Battalions worked in British shipyards to assemble their rhino ferry fleet, and as soon as they were completed, they took them to sea to practice the tricky job of "marrying" them to LSTs and transferring cargo.

On June 5, 1944, the day before D-Day in Normandy, the rhino ferries and their Seabee crews headed out to sea for the journey to France, each of them on a 300-foot towline behind an LST. Early on D-Day morning the LSTs and the rhinos were off the beaches at Omaha and Utah. Unexpected heavy seas made the task of joining the ferries to the LSTs almost impossible, but after several hours of effort the job was finally completed and the rhinos were on the way to the beaches. It was close to noon before the first rhinos reached the beach, only to discover that the Germans had planted mines and obtacles all along the beaches that made it almost impossible to land. A few got ashore that day, but many of the Seabee crews had to wait offshore with their ferries for a day and a half or more before demolition teams were able to clear the beaches so they could land.

Throughout the first days of the Normandy invasion, despite the hazards of severe weather, mines, and German gunfire, the Seabees and their rhino ferries shuttled between the invasion fleet and the beaches, landing thousands of trucks, tanks, and other vehicles, and tons of the supplies that sustained the American armies ashore.

THE GREAT B-29 BASE ON TINIAN

By the summer of 1944, advancing U.S. Forces in the Pacific War against Japan had reached the Marianas Islands, 4,000 miles west of Hawaii and less than 2,000 miles from Japan itself. On June 15, the Marines hit the beaches at Saipan. On July 21, they began the invasion of Guam, and only three days later the same Marines that had taken Saipan were swarming ashore on Tinian.

Even before the Marines had officially secured Tinian, Seabees began landing to work on their biggest single job of the entire war—constructing the world's largest air base for the Army Air Corps' B-29 "Superfortress" bombers that would soon begin carrying the war to the Japanese homeland. Tinian, 12 miles long, six miles wide, and fairly flat, provided a good airfield site that placed the new B-29's within range of Japan for the first time.

To support the huge B-29 fleet that was to operate from Tinian the Seabees built six runways, each a mile and a half long. Four were built at North Field, together with 11 miles of connecting taxiway and hardstands for 265 planes. At West Field, an 18-mile taxiway network and 361 hardstands were built to support the remaining two bomber runways, as well as two smaller airstrips. In addition to the airfield facilities themselves, the Seabees constructed nearly a thousand buildings, miles of roads, fuel and ammunition storage, and utility systems for the Tinian base.

To carry out the huge construction task, the Navy organized the Sixth Construction Brigade, made up of three Construction Regiments, each of which in turn was made up of several battalions. Altogether some 15,000 Seabees were involved in the Tinian work. The fleet of well over 1,500 pieces of heavy construction equipment assembled for the job included almost 800 trucks, 173 scrapers, 160 tractors and bulldozers, 60 graders, and 80 power shovels.

Working in two ten-hour shifts daily, the Seabees built the world's largest air base in record time. Although much of the terrain was reasonably level, in places the bomber runways required cuts as deep as 15 feet and fills 30 to 40 feet high. By the time the job was done the Seabees had moved more than 11 million cubic yards of earth and coral.

Removal of coral "heads" from the runway sites and quarrying of coral for runway surfacing consumed an average of 12 tons of dynamite and 4,800 blasting caps a day. Maintenance crews worked around the clock to keep equipment going despite the ravages of coral dust that wore out moving parts in a fraction of the usual time. Twenty-four welding crews were required just to repair the damage done to power shovels, bulldozers and scrapers by the hard coral.

Except for one runway, which took 73 days to build, none of the B-29 runways took over 53 days to complete, and the entire base was completed in less than a year. Only a few months after the Seabees first started work the Army's B-29 fleet began striking at Japan from the Tinian base. The biggest Seabee job of the war had played a vital part in launching the great bombing raids that speeded victory in the Pacific War.

CUBI POINT

By far the largest peacetime job ever undertaken by the Navy's Seabees was the construction of a major base for the U.S. Seventh Fleet at Cubi Point, on Subic Bay in the Philippine Islands. Required to support the growing U.S. commitments in the Far East, the Cubi Point base was started at the height of the Korean War in 1951.

Overall direction of the project was in the hands of the 30th Naval Construction Regiment, which was set up at Cubi in September 1951. During the next two years the arrival of Mobile Construction Battalions 2, 3, 5, 9 and 11 brought the Cubi Point construction force to a total of some 3,000 Seabees.

Working as many as three shifts a day, six days a week, the Seabees spent five years converting Cubi Point's jungle and mountains into a modern base for Seventh Fleet carriers. Huge trees, sometimes as much as a hundred and fifty feet tall and six to eight feet in diameter had to be blasted out of the way; swamps filled, and even a native village relocated.

A huge hill was removed and Cubi Point itself widened to accommodate the base's airfield. One battalion was given the task of removing 85 feet from the top of a mountain to provide a safe approach to the runway. Over 200,000 cubic yards of rock and earth were moved in the process.

Once the airfield was done the Seabees built roads, piers, shops, ammunition storage, and barracks to complete the base. By the time the great project was done it was estimated that 20 million manhours of Seabee labor had gone into the building of the Cubi Point base, and that a greater volume of earth had been moved than in the digging of the Panama Canal.

At Cubi Point the Seabees built a major new base for the Navy, but perhaps even more important the project provided a priceless opportunity to develop construction skills and leadership qualities in a whole new postwar generation of Seabees. Hundreds of Seabees who first learned their skills at Cubi Point still serve on active duty. Now senior petty officers and chief petty officers, they provide the indispensable background of experience needed to guide and train the young Seabees of the 1960's.

SEABEES ON THE ICE

This year's 1966–67 Operation Deep Freeze marks the beginning of a second decade of Seabee participation in the continuing U.S. program of scientific study and exploration of the Antarctic continent.

Seabees first landed on Antarctica in 1947 as part of the Navy's Operation High Jump expedition led by RADM Richard E. Byrd. Seabee work in this first post-World War II Antarctic expedition included unloading of supplies and equipment and the construction of new facilities near Byrd's 1939–40 Little America base.

Although Operation High Jump lasted only a few months, the Seabees and the Navy returned to the ice to stay in 1955 when the U.S. began constructing permanent scientific outposts in the Antarctic. The Seabees of the first Operation Deep Freeze, as it was called, were part of the newly formed Mobile Construction Battalion (Special) organized at Davisville, Rhode Island and specially trained in cold weather operations. Their Deep Freeze mission included hauling of supplies by tractor and sled across the ice, construction of camp facilities at Little America and McMurdo Station, and construction of a ski-plane airstrip on the ice of McMurdo Sound.

Among a "wintering over" party from the first Deep Freeze II, were nearly 200 Seabees, whose tasks included support of the scientific program and construction of a 6,000-foot ice runway on McMurdo Sound. Working throughout the Antarctic winter in temperatures that often fell to 65 degrees or more below zero, and despite a fierce three-day blizzard that once destroyed the entire project, the Seabees had the new runway ready for arrival of a Deep Freeze II advance party by air from New Zealand in October 1956.

Before the end of October, RADM Dufek, Commander of Deep Freeze II, took off from the Seabees' ice runway to become the first explorer ever to land at the South Pole by plane. A few weeks later, Seabees, sled dogs, construction materials, and equipment followed the admiral to the Pole to commence construction of a permanent camp at South Pole Station.

In the nearly ten years since the first Deep Freeze expeditions, thousands of Seabees have continued to work at Antarctica, building roads, runways and buildings at the American stations on the frozen continent.

In 1962, a milestone in the use of nuclear energy was achieved when the first of several nuclear reactors began to produce electric power and heat, and to distill fresh water, at McMurdo Station. Operating the reactors were crews made up largely of specially trained Seabees.

Although the climatic environment and much of the materials and equipment they work with have been far different from those normally encountered by Seabees, their traditional qualities of ingenuity, skill, energy, and endurance have enabled the Navy's Seabees to establish a distinguished, and still growing, reputation for their many achievements on the Antarctic ice.

SEABEE TEAMS

An important new part of the Seabee tradition in recent years has been the several types of Seabee Teams, which have proven a valuable addition to U.S. programs aimed at strengthening the free world by helping the people of underdeveloped nations help themselves.

Utilizing the construction skills of carefully selected men, Seabee Teams have been deployed to locations as widespread as Southeast Asia, South America and Africa, where their skills have been employed in a wide variety of "civic action" construction missions aimed at improving the living conditions of the people of other nations.

Even more important than the work they have done themselves, the Seabee Teams have helped to train people of these countries in modern construction methods so that they themselves can continue to improve their own living conditions long after departure of the Seabee Teams.

Although Seabees have always been eager to lend a helping hand wherever they have been, the formal Seabee Team program was not born until 1960, when an Atlantic Seabee detachment was deployed to Haiti. Their mission was the construction of a road, causeway, and pontoon bridge at Lake Miragoane, Haiti, when flooding of the lake threatened to isolate the southern tip of the island.

Soon after this first venture, other Seabee Teams were sent on a regular basis to other countries for similar missions. Since 1960 Atlantic Seabee Teams have deployed to such countries as Chile, Costa Rica, Santo Domingo, Liberia, the Republic of Chad and the Central African Republic, where they have built farm-to-market roads, taught construction skills, and engaged in disaster relief work.

Since January 1963, teams from the Pacific Seabees have been deploying to Thailand and the Republic of Vietnam, where they have engaged in a wide variety of rural development work, including road, bridge, and school construction. Several teams deployed to the Republic of Vietnam have been engaged in construction of Special Forces camps. One team, Seabee Team 1104, was constructing such a camp when it participated in the heroic defense of Dong Xoai against a heavy Viet Cong attack last June.

In addition to the normal 13-man teams, other special teams from the Pacific battalions have performed similar work in Southeast Asia. Well-drilling teams have helped provide pure water suplies to rural villages in Vietnam, and EO/CM teams have helped in a rural road building program in Northeast Thailand.

RADM J. R. Davis, former Commander of the Pacific Seabees, recently expressed the comment of the U.S. ambassador to Thailand that no other U.S. aid program has accomplished as much in proportion to its cost as has the Seabee Team program.

Thus, in a few short years, the Seabee Teams have become a proud—and continuing—part of the Seabee story.

A NEW CHAPTER

In the spring of 1965, as the U.S. increased its commitment of military forces in support of the war against the Viet Cong in South Vietnam, the Seabees were once again called upon to provide construction support to Navy and Marine Corps forces in a combat area. Not since World War II had the Seabees been committed on such a large scale in support of combat operations.

MCB–10, then deployed on Okinawa as the Pacific "alert battalion", was the first to go. Late in April MCB–10 commenced its mount-out, and within less than ten days the entire battalion, its equipment and supplies, and aluminum matting to construct an 8,000-foot expeditionary airfield, were embarked on amphibious force ships of the U.S. Seventh Fleet.

Early on the morning of May 7, in one of the largest operations of its kind since the Korean War, Marines came ashore in a coordinated amphibious landing to occupy the Chu Lai site. The Seabees of MCB–10 were right behind them with their equipment and supplies to set up a camp and begin work on the Chu Lai runway. In only 21 days time, high performance Marine jets were flying strikes against the Viet Cong from the Seabee-built airfield. During the remainder of its Chu Lai deployment MCB–10 continued to expand and improve the airfield, and constructed a wide variety of roads, cantonments, and other facilities in support of units of the Third Marine Amphibious Force operating in the Chu Lai sector.

MCB–3, deployed on Guam as the Pacific "back-up battalion", was the next to leave for Vietnam. Preceded by an advance party, which started work on a battalion camp at the base of Hill 327 at DaNang, MCB–3 mounted out from Guam in May and commenced construction work at DaNang by the end of the month. Chief among Three's projects was the rebuilding of a road leading to the Marine missile site on Hill 327.

MCB–9, deploying from Port Hueneme early in June, was the third battalion to arrive in Vietnam. Establishing its camp next to the South China Sea at DaNang East, Nine immediately started work on a wide variety of projects, chief among them a large Naval Hospital and an extremely difficult road to a missile site on Monkey Mountain, in DaNang Bay.

In order to coordinate mobile construction battalion work in Vietnam, the 30th Naval Construction Regiment, inactive since the Cubi Point project in the early 1950's, was reestablished at DaNang in May. Initially, the regiment was under the command of CAPT Harold F. Liberty. The current commander is CAPT Nelson R. Anderson.

Seabee strength in Vietnam was increased to four battalions in September, when MCB–8, previously an Atlantic battalion, moved to Port Hueneme and almost immediately deployed to DaNang, where it commenced work on port facilities and other projects.

MCB–5 became the fourth Pacific battalion to deploy to Vietnam in September when it relieved MCB–3 at DaNang. A second Atlantic battalion, MCB–4, moved its home port to Port Hueneme in November, and deployed to Chu Lai a month later to relieve MCB–10. Most recently, MCB–11 deployed to DaNang early in February to relieve MCB–9.

The large scale commitment of Seabees to the war in Vietnam has proven the value of the long, hard peacetime deployments and the continuing emphasis on training, mobility, and self-sufficiency characteristic of the Navy's mobile construction battalions. For each of the seven battalions that have thus taken part in the Southeast Asian conflict has shown the same capability to deploy to a new location, establish itself, and commence production construction with a speed, effectiveness, and flexibility unmatched by any other military engineering unit.

With Seabees in demand as never before since World War II the Navy has commenced a broad build-up of the naval construction force. Each of the ten original battalions has been increased in its officer and enlisted complement and early this year the Navy Department announced the formation of four new battalions at Davisville, Rhode Island. MCB–40 was formally commissioned on Feb. 1, with MCB's 58, 62, and 133 to follow during the next few months.

Clearly, as General Douglas MacArthur wrote to ADM Ben Moreell during World War II, "the only trouble with your Seabees is that you don't have enough of them!"

THE DONG XOAI STORY, JUNE 9–10, 1965: SEABEES VICTIMS OF VIETCONG RAID

The quiet serenity of a rainy night in a small Vietnamese military compound quickly turned into a nightmare of death and suffering for nine members of Seabee Technical Assistance Team 1104 early this month. Assigned to construction and improvement of

training facilities of a Civilian Irregular Defense Group (CIDG) camp at Dong Xoai, 55 miles north of Saigon, the Seabee Team and 11 other U.S. Army Special Forces personnel were trapped in one of the bloodiest and hardest fought battles of the Vietnamese war.

The camp area contained a complex of compounds to support three CIDG companies, a Regional Forces company, a small Vietnamese Special Forces detachment, and an armored car platoon. Also in the area was the District Headquarters and a battery of 105mm howitzers.

The bizarre sequence of events started when a lookout reported that "Viet Cong were all over the airfield." A 200-round barrage by 60mm mortars at 11:45 p.m. on June 10 preceded the "human wave" assaults on the walls of the CIDG compound. Intense close range combat continued until 2:30 a.m. when the CIDG defenses were breached and the surviving U.S. troops made their way to the adjacent District Headquarters.

There they were quickly surrounded by the Viet Cong who were employing flame throwers, machine guns, recoilless rifles and small arms against the fortifications. When daylight approached the 2nd Air Division and VNAF aircraft began hitting Viet Cong positions outside the District Headquarters.

A U.S. rocket launcher team of 1st Lt. Charles Williams, U.S. Special Forces Camp Commander and Seabee Marvin G. Shields, CMA3, moved outside the headquarters defenses and successfully destroyed a Viet Cong .30 Cal. machine gun position. Shields was killed returning to the building.

The first lift of relief forces to secure a landing area about a mile and a half north of the embattled village was quickly engaged by VC forces. A pitched battle developed as aircraft continually strafed and struck the VC positions with napalm. About noon the landing area was overrun by Viet Cong forces; only three Vietnamese soldiers reportedly survived from the group of 196 troops and two U.S. advisors originally flown in.

In the meantime, a second lift of relief forces landed at a nearby rubber plantation and was also quickly pinned down by intense Viet Cong fire.

During the middle of the afternoon a coordinated effort of heavy close air support by fixed wing aircraft, permitted elements of the 118th Aviation Company to evacuate the wounded U.S. personnel from the District Headquarters.

Shortly thereafter, a Ranger relief force landed at a soccer field southeast of the town. Another group landed near the District Headquarters. This 300-man force finally reoccupied the District Headquarters compound and captured numerous Viet Cong weapons.

Sporadic fighting continued throughout the second night and the Rangers moved out the next day and recaptured large areas.

Eye witness accounts of the battle area describe the bodies of civilians and military dead strewn throughout the town. Men, women and children were walking around in a daze, the recent events being incomprehensible to them. Others were found sobbing over the fallen bodies of members of their families. Several soldiers were found with their hands tied behind their backs, probably used as human shields during the battle.

The village itself was nothing more than charred ruins; some areas were still burning and smoldering from the recent conflict.

The final count of casualties of the original 20 American forces was three killed, 16 wounded and one unscathed survivor. A total of 12 other Americans were listed as dead or missing as a result of action during the two-day battle. The Vietnamese forces suffered approximately 46 wounded and 300 dead or missing. Viet Cong losses were estimated at more than 700.

Of the nine man Seabee Team, 2 men were killed:

Marvin G. Shields, 26, CM3 of 141 East Clara St. Port Hueneme. He is survived by his wife, Joan, and infant daughter who are presently visiting in Sequim, Washington.

William Clifton Hoover, 25, SW2. He is survived by his parents Mr. & Mrs. Clifton William Hoover of 1320 Hawthorne Drive, San Diego, Calif. Funeral services were held Tuesday at Fort Rosecrans with full military honors.

Six other men suffered injuries:

James M. Keenan, HM2, was treated in Saigon and released.

James Barnett Brakken, 32, BU1, of Puyallup, Washington was also treated and released.

James Davis Wilson, 29, CM1, was released from the Saigon hospital on June 18. His wife Janice and two small children reside at 973–A Jelly Drive.

The other three wounded Seabees have been transferred to the hospital at Clark Air Force Base in the Philippines for further treatment and convalescence. They are:

LTJG Frank A. Peterlin, 26, Officer in Charge of the Seabee Team. He is from Oglesby, Ill.

Johnny Ray McCully, 34, EOC. His wife Petra and two small children live at 611 East Pleasant Valley Rd., Port Hueneme.

Lawrence W. Eyman, 29, UT2. His wife and daughter live at 441 Santa Rosa St., Port Hueneme.

Douglas Martin Mattick, 22 BU2, was the one American not hurt during the fighting.

Four other members of the Seabee Team were not at the camp when the attack occurred. They are:

Jack Lee Allen, 33, EO2. His wife Lillian and three children live at 1520 Woodland St., Oxnard.

John Curtis Klepfer, 24, EO2. His family lives at 950–B Pearson Drive, Port Hueneme.

Frederick Joseph Alexander, 24, EA3, from Buffalo, N.Y.

Richard Stanley Supczak, 32, CE3, from New Bedford, Mass.

WOUNDED SEABEE TELLS OF VIETCONG RAID

(By Marie Levi)

It's quiet now.

The sounds the Seabee hears are the everyday pleasant ones of home—chicken frying in the pan . . . roller skates on the sidewalk . . . the voice of a neighbor at the door . . . a jet far overhead . . .

But James D. Wilson, CM1, can still hear other, more insistent sounds. Pushing through his consciousness is the din of a mortar barrage, the whistling of rifle shells through a military compound, the blast of shrapnel just before it enters human flesh.

Just a month ago today, Wilson and eight other members of Seabee Technical Assistance Team 1104 listened to these sounds of war at Dong Xoai, Viet Nam. They were part of a 30-man force: 11 were Army Special Forces personnel, the others RVN troops.

With the exception of Johnny McCully, EOC, who was standing watch, the Seabees were asleep when all hell broke loose at 11:45 p.m. on 9 June.

Bounced out of their bunks by the thunder of mortars and the staccato of small arms fire, the men quickly took up defensive positions. They were to stand against overwhelming odds of men and arms for the next 14 hours. They were all to feel the searing pain of shrapnel fragments entering their bodies, the deafening roar of battle. Two of the Seabees were to die.

"The very first assault wiped out our communications and destroyed our medical supplies, with the exception of two small bags that James Keenan, HM2, had with him," says Wilson.

"Two out of the three compounds in the camp were overrun and occupied by the Viet Cong. They took over our reserve supplies of ammunition and all through the night and part of the next day they blasted us with mortars, recoilless rifles, flame throwers, and machine guns."

All around them, men were dying. Of the 300 troops, some 40 survived; no man was spared injury.

"If it hadn't been for a jerry-rigged radio put together by one of the Special Forces sergeants, we would have been done for," says Wilson.

With the radio, the survivors were able to maintain communication with command headquarters, and by dawn, American jets began strafing and bombing the area around the camp.

"It was the only thing that saved us," says Wilson.

Two groups of Vietnamese reinforcements tried to move in to save the Dong Xoai camp. The first was on the ground 15 minutes before being wiped out; the second group was pinned down by the Viet Cong and unable to advance.

"There was no possible way to hang on. The Viet Cong were firing on the compound and on the planes overhead with captured American weapons, and the small supply of ammunition we had was just about exhausted."

The only hope was to evacuate the survivors. At 2 p.m. on May 10, American jets and Skyraiders started a heavy bombing and strafing attack around the outside wall of the camp. In the meantime, three helicopters sat down in the middle of the area and picked up the remaining Americans and RVN troops.

"We couldn't have lasted 15 minutes more," says Wilson.

It was almost the heartbreaking end for Douglas Mattick, BUH2. When he started to enter the third helicopter, he was waved off, the chopper was already loaded to capacity. For a moment, he thought another helicopter was due in, but when he saw the three disappearing in the distance, the full force of his predicament hit him. He grabbed the radio, put in a quick distress call, and before long another helicopter was in for the rescue.

"Of the nine of us, two—Marvin G. Shields, CM3, and William C. Hoover, SW2, were dead. LTJG Frank A. Peterlin, officer in charge of the Seabee Team, and McCully were missing." (Both were wounded outside the compound, but were picked up the following day.)

After treatment, four members of the Seabee Team returned to Port Hueneme on July 1. Flown in by commercial aircraft were Wilson; Dale Brakken, BU1; Keenan; and Mattick.

McCully is still hospitalized in San Diego; LTJG Peterlin is undergoing treatment in Okinawa; and Lawrence W. Eyman, is at Clark AFB Hospital, Philippine Islands.

Recalling the massive Dong Xoai attack, Wilson remarks: "It's hard to imagine the sheer strength of numbers among the Viet Cong. They attack in a human wave—it would be impossible to down them all.

"Besides that, the VC round up people in the villages—young and old alike—and use them as human shields. They are completely ruthless as far as human life is concerned. It was a common sight to see women and children disemboweled as an example to other villagers.

"It was a time of horror," he added, "but the morale of the team never dropped. When the going got rough somebody would make a wisecrack, and the tension eased.

"Sure, we wondered sometimes if we would ever get out alive, but we helped each other keep our hopes up."

Of the four men who returned here last week, Mattick expects an early discharge and

return to college. The other three will return to Seabee duty after a 30-day leave period.

Some of the STAT 1104 team members have already volunteered for additional Seabee Team duty in Viet Nam; others will return if assigned there.

As for Wilson, he won't even consider anything but more Seabee duty. A career man with 11½ years already on the books, he expects to serve 30.

"I had a chance to cross rate to communications technician," he says. "It would have meant more shore duty and faster promotions, but I couldn't give up the Seabees."

Most of the men on the Seabee Teams feel exactly the same way.

SEABEE TEAM OIC AWARDED SILVER STAR

For his gallant action during the Viet Cong attack on Dong Xoai, Vietnam, on June 9, LTJG Frank A. Peterlin, Officer in Charge of Seabee Team 1104, was presented the Silver Star Medal by CDR W. W. Barron, MCB-11 Commanding Officer. The awards ceremony, attended by officers and men of the battalion, was held at Camp Kue Army Hospital.

The Silver Star is the fourth highest medal issued by the Navy. ADM Roy L. Johnson, Commander in Chief, U.S. Pacific Fleet, in the citation accompanying the award, said:

"For conspicuous gallantry and intrepidity in action while serving with U.S. Navy Seabee Team 1104 at Dong Xoai, Republic of Vietnam, on 10 June, 1965.

"Shortly before midnight on the preceding night, the compound which LTJG Peterlin's team was assisting to construct came under intense mortar, machine gun, heavy weapons, and small arms fire from an estimated, Viet Cong reinforced regiment.

LTJG Peterlin quickly went to a position on the berm surrounding the compound and for three hours exposed himself to hostile fire by firing at the enemy. During a massive Viet Cong attack with flamethrowers, hand grenades and small arms fire, supported by mortar, machine gun, and heavy weapons fire, LTJG Peterlin at close range, shot a Viet Cong carrying a flamethrower.

"Shortly afterward, LTJG Peterlin was knocked down by an explosion and wounded by a bullet through his right foot. Despite his wound, LTJG Peterlin successfully evaded the Viet Cong forces which had overrun the compound and was able to conceal himself from the enemy for more than a day before being rescued. His coolness and effectiveness under fire were a constant encouragement to those about him."

MCB-11 NAMED "BEST OF TYPE"

MCB-11 has been named "Best of Type" among Pacific mobile construction battalions for 1965.

A message from RADM James R. Davis, COMCB-PAC, announcing the award stated:

"As a battle ready fleet unit, you have aptly demonstrated the construction and combat support capability of our modern naval construction force . . . the officers and men of MCB-11 may justly take pride in this achievement which reflects consistently distinguished performance throughout the competitive period."

CAMP SHIELDS HONORS SEABEE HERO

CAMP SHIELDS, CHU LAI, RVN, Sept. 10.—Today the Seabee Camp at Chu Lai was named Camp Shields in memory of Marvin G. Shields, CM3.

Shields died from wounds received while members of his unit, Seabee Team 1104, were assisting in the defense of the Special Forces Camp at Dong Xoai against an attack by the Viet Cong on June 10. The attack began late the previous night.

While assisting a wounded Army officer to a safe position, Shields sustained wounds about his face, neck and back. Despite these wounds he continued steadfast in fighting against the Viet Cong, both by means of his rifle and by throwing hand grenades.

When light broke on the morning of the 10th, Shields readily volunteered to assist in destroying an enemy machine gun emplacement. Though he had never used a 3.5 inch rocket launcher before, he performed the job well and was instrumental in destroying the position while under heavy enemy fire.

In returning to his previous position machine gun fire struck his right leg, nearly tearing it off. Though mortally wounded, he was able to move to a sheltered position and received aid. Throughout the remainder of the morning he was instrumental in keeping up the spirits of the defenders by laughing and making jokes.

Shields died that afternoon shortly after being evacuated by helicopter.

For his bravery and devotion to duty Shields has been recommended for the Navy Cross. His actions throughout were in keeping with the highest traditions of the Naval service.

The Seabees of MCB-10 are proud to enshrine the name of Marvin G. Shields in the camp which they established as a memorial to a fellow Seabee who exemplified the "Can Do" spirit of the Seabees in action against the Viet Cong.

Shields is survived by his wife, Joan, a young daughter and his mother Mrs. Victoria Cassalery, all of Port Townsend, Washington.

RECOMMENDATIONS OF THE JOINT COMMITTEE ON THE ORGANIZATION OF THE CONGRESS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Maryland [Mr. SICKLES] is recognized for 5 minutes.

Mr. SICKLES. Mr. Speaker, when the family car begins to creak and slow down, we do not hesitate to take it to the garage for repairs. And once in the garage, when we can see what the trouble is, we do not hesitate to replace parts which just will not work any more.

This is just good sense, for by keeping the car in good repair we know it will give us better service in the long run.

Many Americans—both legislators and private citizens—believe that Congress is in much the same condition as the old family car. The time has come to tune up the machinery and replace some wornout parts.

Eighteen months ago Congress drove itself into the repair shop when it created the Joint Committee on the Organization of the Congress. Recently it completed its analysis of the repairs that are needed. This analysis is in the form of a number of recommendations designed to streamline the congressional machinery.

The driving force of the Congress is its committees. For Congress to work efficiently, its committee system must function smoothly, just as the pistons of a car must run smoothly.

If the committees delay action, or do not operate at all, then Congress—like the old family car—slows down and may even come to a complete halt.

Thus, the major impact of the proposed reforms have to do with the committee system in both the House and the Senate. There are two problems relating to committees generally today. One is the division of various committee responsibilities. The other is that the committee chairman too often is "all powerful." If he fails to call meetings the work of the committee just does not get done.

To deal with this second problem, the proposed reforms establish a "committee bill of rights." They give the majority of the committee membership the right to call meetings and report legislation in the event the chairman refuses to do so.

Committee responsibilities would be "tuned up" by redefining the roles of several of the existing standing committees. For example, in both the House and the Senate the Committees on Banking and Currency would be renamed the Committees on Banking, Housing, and Urban Affairs. This change would give recognition to the growing problems of urban areas.

But in any tuneup the mechanic in analyzing the problems may recommend changes that not everyone agrees with.

One such change proposed by the joint committee that I disagree with is that the House and Senate committees now dealing jointly with education and labor be split in two. Thus one committee in each Chamber would be responsible for educational matters and another for labor and welfare matters.

I think this approach is unwise, because my service on the House Committee on Education and Labor during the past 4 years has thoroughly convinced me of the desirability of having a single committee deal with both these matters.

The problems of education and of labor are too closely intertwined to have them considered separately. One purpose of education is to prepare a person to serve usefully in the labor force. Many problems of our work force must be served by education and training programs. Therefore, Federal legislation dealing with education should be viewed in the context of the existing labor market and labor legislation.

Conversely, most labor legislation should be considered in the context of our federally supported education programs.

The people who are affected by Federal labor and education programs know this, too.

The man on the assembly line today often recognizes his own education as inadequate to deal with the complexities of his job. He knows also that his son, certainly, will have to have a far better education than he did to perform successfully the work tasks of tomorrow.

In a similar way, the teacher who trains the young person for his working life needs to know what sort of job she is training him for.

Thus, I think it would be extremely unwise to separate labor and education legislation by creating new committees to deal with these matters. However, in most other respects I think the joint committee's recommendations are very useful and should be given prompt consideration by Congress. The family car needs the proposed tuneup.

PERSONAL EXPLANATION

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. RYAN. Mr. Speaker, last Thursday, September 8, there was one quorum call (roll No. 270) and two record votes on H.R. 14026, the temporary interest rate control bill.

Circumstances required my presence in Buffalo, N.Y., on Thursday afternoon, where I had the honor at the Democratic State Convention to place the name of Arthur Levitt in nomination for reelection as comptroller of New York State.

If I had been present, I would have voted "aye" on roll No. 271 for the motion to recommit and "no" on roll No. 272 against final passage.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mrs. MAY (at the request of Mr. ARENDS), for today, September 13, 1966, on account of illness.

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 Mrs. REID of Illinois) to revise and extend their remarks and include extraneous matter:)

Mr. HALPERN, for 15 minutes, today.

Mr. TEAGUE of California, for 15 minutes, today.

Mr. MOORE, for 15 minutes, on Thursday, September 15.

Mr. SICKLES (at the request of Mr. MATSUNAGA), for 5 minutes, today; to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. DAVIS of Wisconsin to include newspaper articles with his remarks made today in the Committee of the Whole on H.R. 17636.

Mr. CRAMER to revise and extend his remarks made today in the Committee of the Whole on H.R. 16559 and to include extraneous matter.

Mr. ROSENTHAL.

(The following Member (at the request of Mrs. REID of Illinois) and to include extraneous matter:)

Mr. HALPERN.

(The following Member (at the request of Mr. MATSUNAGA) and to include extraneous matter:)

Mr. CAREY in two instances.

ADJOURNMENT

Mr. MATSUNAGA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 58 minutes, p.m.) the House adjourned until tomorrow, Wednesday, September 14, 1966, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2725. A letter from the Attorney General, transmitting a report on the problems of small business displacement under Federal and federally assisted programs of public improvement, pursuant to the provisions of section 10(c) of the Small Business Act of 1958, as amended; to the Committee on Banking and Currency.

2726. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to provide for the participation of the Department of the Interior in the construction and operation of a large prototype desalting plant, and for other purposes; to the Committee on Interior and Insular Affairs.

2727. A letter from the Chairman, Atomic Energy Commission, transmitting a draft of proposed legislation to amend Public Law 89-428 authorizing appropriations pursuant to section 261 of the Atomic Energy Act of 1934, as amended; to the Joint Committee on Atomic Energy.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADAMS:

H.R. 17671. A bill to amend the Internal Revenue Code of 1954 to allow teachers to deduct from gross income the expenses incurred in pursuing courses for academic credit and degrees at institutions of higher education and including certain travel; to the Committee on Ways and Means.

By Mr. REID of New York:

H.R. 17672. A bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights similar to those given by section 8(f) of such act to employers and employees in the construction industry; to the Committee on Education and Labor.

By Mr. ARENDS:

H.R. 17673. A bill to amend title 18 of the United States Code to prohibit travel or use of any facility in interstate or foreign commerce with intent to incite a riot or other violent civil disturbance, and for other purposes; to the Committee on the Judiciary.

By Mr. BINGHAM:

H.R. 17674. A bill to authorize the issuance of cost-of-living saving bonds; to the Committee on Ways and Means.

By Mr. GERALD R. FORD:

H.R. 17675. A bill to amend the act of September 30, 1961 (75 Stat. 732); to the Committee on the Judiciary.

By Mr. HANNA:

H.R. 17676. A bill to provide for the participation of the Department of the Interior in the construction and operation of a large prototype desalting plant, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JOELSON:

H.R. 17677. A bill to amend the Internal Revenue Code of 1954 to provide that the income tax exemption of certain voluntary employees' beneficiary associations shall be determined on the basis of their net income; to the Committee on Ways and Means.

By Mr. JONAS:

H.R. 17678. A bill to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of business development corporations; to the Committee on Ways and Means.

By Mr. LAIRD:

H.R. 17679. A bill to amend the act of September 30, 1961 (75 Stat. 732), relating to professional athletics; to the Committee on the Judiciary.

By Mr. LENNON:

H.R. 17680. A bill to amend title 18 of the United States Code to prohibit travel or use of any facility in interstate or foreign commerce with intent to incite a riot or other violent civil disturbance, and for other purposes; to the Committee on the Judiciary.

By Mr. LONG of Louisiana:

H.R. 17681. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. O'BRIEN:

H.R. 17682. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes; to the Committee on Government Operations.

H.R. 17683. A bill to amend the Internal Revenue Code of 1954 to allow teachers to deduct from gross income the expenses incurred in pursuing courses for academic credit and degrees at institutions of higher education and including certain travel; to the Committee on Ways and Means.

By Mr. PASSMAN:

H.R. 17684. A bill to amend the authorization for the Ouachita Basin project; to the Committee on Public Works.

By Mr. PRICE:

H.R. 17685. A bill to amend the Atomic Energy Act of 1954, as amended; to the Joint Committee on Atomic Energy.

By Mr. REID of New York:

H.R. 17686. A bill to amend the Internal Revenue Code of 1954 to allow teachers to deduct from gross income the expenses incurred in pursuing courses for academic credit and degrees at institutions of higher education and including certain travel; to the Committee on Ways and Means.

By Mr. ROUDEBUSH:

H.R. 17687. A bill to amend the Internal Revenue Code of 1954 to allow teachers to deduct from gross income the expenses incurred in pursuing courses for academic credit and degrees at institutions of higher education and including certain travel; to the Committee on Ways and Means.

By Mr. YOUNGER:

H.R. 17688. A bill to authorize and direct the Secretary of Health, Education, and Welfare and the Federal Trade Commission to regulate statements of net quantity on the labels of certain packaged consumer commodities in order to facilitate price comparison by consumers; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDERSON of Illinois:

H.R. 17689. A bill to amend title 18 of the United States Code to prohibit travel or use of any facility in interstate or foreign commerce with intent to incite a riot or other violent civil disturbance, and for other purposes; to the Committee on the Judiciary.

By Mr. BERRY:

H.R. 17690. A bill to provide that no further sales may be made under the Participation Sales Act of 1966; to the Committee on Banking and Currency.

By Mr. CHAMBERLAIN:

H.R. 17691. A bill to amend the Internal Revenue Code of 1954 to allow teachers to deduct from gross income the expenses incurred in pursuing courses for academic credit and degrees at institutions of higher education and including certain travel; to the Committee on Ways and Means.

By Mr. DOW:

H.R. 17692. A bill to regulate and foster commerce among the States by providing a system for the taxation of interstate commerce; to the Committee on the Judiciary.

By Mr. FINDLEY:

H.R. 17693. A bill to repeal certain provisions of the Sugar Act of 1948, as amended, to establish a new and improved sugar program, and for other purposes; to the Committee on Agriculture.

By Mr. HOSMER:

H.R. 17694. A bill to amend title 18 of the United States Code to prohibit travel or use of any facility in interstate or foreign commerce with intent to incite a riot or other violent civil disturbance, and for other purposes; to the Committee on the Judiciary.

By Mr. KING of Utah:

H.R. 17695. A bill to amend the Internal Revenue Code of 1954 to allow teachers to deduct from gross income the expenses incurred in pursuing courses for academic credit and degrees at institutions of higher education and including certain travel; to the Committee on Ways and Means.

By Mr. KORNEGAY:

H.R. 17696. A bill to authorize and direct the Secretary of Health, Education, and Welfare and the Federal Trade Commission to regulate statements of net quantity on the labels of certain packaged consumer commodities in order to facilitate price comparison by consumers; to the Committee on Interstate and Foreign Commerce.

H.R. 17697. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. MINSHALL:

H.R. 17698. A bill to amend the act of September 30, 1961 (75 Stat. 732); to the Committee on the Judiciary.

By Mr. REIFEL:

H.R. 17699. A bill to amend title 18 of the United States Code to prohibit travel or use of any facility in interstate or foreign commerce with intent to incite a riot or other violent civil disturbance, and for other purposes; to the Committee on the Judiciary.

By Mr. SCHISLER:

H.R. 17700. A bill to incorporate Mothers of World War II, Inc.; to the Committee on the Judiciary.

By Mr. CHARLES H. WILSON:

H.R. 17701. A bill to amend title XVIII of the Social Security Act to permit payment to an individual for the charges made by physicians and other persons providing services covered by the supplementary medical insurance program prior to such individual's own payment of the bill for the services involved; to the Committee on Ways and Means.

By Mr. OTTINGER:

H.R. 17702. A bill to authorize a program of research, development, and demonstration of electrically powered vehicles; to the Committee on Interstate and Foreign Commerce.

By Mr. PEPPER:

H.R. 17703. A bill to strengthen the regulatory and supervisory authority of Federal agencies over insured banks and insured savings and loan associations, and for other purposes; to the Committee on Banking and Currency.

By Mr. ADAMS:

H.J. Res. 1301. Joint resolution to authorize the President to issue annually a proclamation designating the 7-day period beginning October 2 and ending October 8 of each year as Spring Garden Planting Week; to the Committee on the Judiciary.

By Mr. CHAMBERLAIN:

H.J. Res. 1302. Joint resolution proposing an amendment to the Constitution relating to terms of judges of the Supreme Court of the United States; to the Committee on the Judiciary.

By Mr. JONAS:

H. Con. Res. 1006. Concurrent resolution to modify the tariff concessions granted by the United States under article XXVIII of GATT; to the Committee on Ways and Means.

MEMORIALS

Under clause 4 of rule XXII,

497. Mr. CONTE presented a memorial of the Legislature of the Commonwealth of Massachusetts, relative to Federal Government contributions to municipalities constructing water pollution control facilities, which was referred to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H.R. 17704. A bill for the relief of William John Masterton, George Samuel Konik, and Louis Vincent Nanne; to the Committee on the Judiciary.

By Mr. BINGHAM:

H.R. 17705. A bill for the relief of Romualdo D'Elia and his wife, Lucia Mastrorilli D'Elia; to the Committee on the Judiciary.

By Mr. HECHLER:

H.R. 17706. A bill for the relief of Melhem Elias El Khouri; to the Committee on the Judiciary.

By Mr. REES:

H.R. 17707. A bill for the relief of Claudette Norma Howard; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 17708. A bill for the relief of Miss Keum Hi Shin; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

431. The SPEAKER presented a petition of the Polish Legion of American Veterans, Harvey, Ill., relative to increased compensation and pensions of veterans and their dependents, which was referred to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

Commodore Barry Day

EXTENSION OF REMARKS

OF

HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 13, 1966

Mr. CAREY. Mr. Speaker, today marks the 163d anniversary of the death of Commodore John Barry, the "Father of Our Navy."

Bicentennial observances of events of the Revolutionary War will soon be upon us. John Barry's great contributions to the victory of American arms in the conflict that won us our national independence from British tyranny must never be forgotten. His valor and his victories must be acknowledged in the bicentennial observances that will take place in the future, and they must be recognized today on the anniversary of his death.

He was born at Tacumshane, County Wexford, Ireland, went to sea as a boy, and about 1760 settled in Philadelphia, where he eventually became a prosperous shipmaster and shipowner. In 1776 he showed an Irishman's enthusiasm for the cause of the Colonies against British oppression and was placed in command of the brig *Lexington* by the Continental Congress. On April 17, 1776, he captured the British tender *Edward*. This was the first capture in actual battle of a British warship by a regularly commissioned American cruiser.

Barry received the personal congratulations of General Washington for his valor in the performance of a daring exploit on the lower Delaware in 1777. With four small boats he had cut out an armed British schooner without the loss of a man, and captured at the same time a number of transports and a large quantity of supplies destined for British troops.

Barry then volunteered for duty with the American Army and participated with distinction in the Trenton campaign. He was then given command of the *Raleigh*, 32 guns, with which he fought a gallant and obstinate battle against superior forces, finally being obliged to beach his ship, but saving most of his men from capture.

His most successful cruise started in February of 1781 when he sailed from Boston for France commanding the *Alliance*. He captured the privateer *Alert* en route. He put down a mutiny, and then captured the privateers *Mars* and *Minerva*. After a fierce engagement he forced two British brigs, the *Atlanta* and the *Trepassey* to strike their colors. Barry was severely wounded in the action.

To Barry belongs the distinction of having fought the last naval action of the War for Independence. Aboard the *Alliance* he arrived at Martinique early in January of 1783 and found orders to proceed to Havana. Leaving that port he encountered the *Sybille*. His first mate, John Kessler, wrote as follows about the engagement:

> Two of the enemy's ships kept at a distance on our weather quarter as if waiting to ascertain about the French ship, while the other was in our wake with topsails only and courses hauled, as was also the case with the *Alliance*. The French ship approaching fast, Captain Barry went from gun to gun on the main deck, cautioning against too much haste and not to fire until the enemy was right abreast. He ordered the main topsail hove to the mast that the enemy (who had already fired a bow gun, the shot of which struck into the cabin of the *Alliance*) might come up as soon as he was abreast, when the action began, and before an half hour her guns were silenced and nothing but musketry was fired from her. She appeared very much injured in her hull. She was of thirty-two guns and appeared very full of men, and after an action of forty-five minutes she sheered off. Our injured were, I think, three killed and eleven wounded (three of whom died of their wounds) and one sail and rigging cut.