

Monday, July 16, 1951

## HIGHLIGHTS

- House passed bills on disaster relief and narcotics and worked on roll-back amendments to the Defense Production Act.
- Senate Appropriations subcommittee concluded marking up Treasury-Post Office appropriations.
- Bill to control exports to nations threatening U. S. security, including Soviet-dominated countries, ordered reported by House committee.

## Senate

### *Chamber Action*

The Senate was not in session today. Its next meeting will be held on Tuesday, July 17, at 12 noon.

### *Committee Meetings*

#### APPROPRIATIONS—DISASTER RELIEF

*Committee on Appropriations:* In executive session, committee met to consider emergency appropriations for relief purposes in the current Kansas flood. Committee meets again tomorrow on H. J. Res. 292, to appropriate \$25 million for disaster relief, including the current flood in the Kansas area.

#### APPROPRIATIONS—NAVY

*Committee on Appropriations:* Subcommittee on Armed Services continued hearings on 1952 budget estimates for the various branches of the armed services, with the following witnesses testifying in justification of budget estimates for the Navy Department: Rear Adm. Malcolm F. Schoeffel, Rear Adm. E. W. Clexton, Walter L. Tann, and Commander William C. Taylor, all of the Bureau of Ordnance; and Rear Adm. C. J. Brown and Capt. F. P. Gilmore, both of the Bureau of Medicine and Surgery. Hearings continue Wednesday.

#### APPROPRIATIONS—ARMY CIVIL FUNCTIONS

*Committee on Appropriations:* Subcommittee continued hearings on H. R. 4386, Army civil-functions appropriations for 1952, with Senators Connally and Johnson of Texas, accompanied by a delegation of citizens from Texas, testifying on flood-control and river and harbor projects in Texas; and Senator Long, and a delegation of citizens from Louisiana, on flood-control and river and harbor projects primarily on the Arkansas and Mississippi Rivers.

On Saturday, July 14, the subcommittee received further testimony from Senators Schoeppel and Carlson,

and a delegation of citizens affected, on flood-control projects in the Kansas River Basin, and problems resulting out of the present Kansas flood.

Hearings continue tomorrow.

#### APPROPRIATIONS—TREASURY-POST OFFICE

*Committee on Appropriations:* In executive session, Subcommittee on Treasury-Post Office Appropriations concluded marking up for reporting to the full committee H. R. 3282, Treasury-Post Office appropriations for 1952.

#### DEFENSE PRODUCTION NOMINATION

*Committee on Banking and Currency:* In executive session, committee unanimously voted to report favorably the nomination of Manly Fleischmann to be Defense Production Administrator, after hearing Mr. Fleischmann, in open session, testify in behalf of his own nomination.

#### INTERNAL REVENUE NOMINATION

*Committee on Finance:* In executive session, committee voted to report favorably the nomination of John B. Dunlap, of Texas, to be Commissioner of Internal Revenue, in place of George J. Schoeneman, to be effective July 31, 1951, after receiving testimony by the incumbent and the nominee.

#### TAX REVISION

*Committee on Finance:* Committee continued hearings on H. R. 4473, tax-revision bill, with eight witnesses testifying, as follows: Stanley H. Ruttenberg, CIO, favored the raising of \$10 billion in revenue, as recommended by President in order to be on a pay-as-you-go basis for current fiscal year, by retaining House provision on individual income tax with modification for group having only \$1,000 or less in taxable income; raising the corporation tax an additional \$2 or \$2½ billion for total of \$5 billion; and by closing of tax loopholes; Arthur

Schutzer, the American Labor Party, appeared in opposition to tax increases; Charles C. Hertwig, American Cotton Manufacturers Institute, appeared in opposition to proposed increase in corporation normal tax rate to 30 percent, and reduction of excess-profits credit to 75 percent of normal earnings—he also suggested technical amendments; Merrill Griswold, American Research & Development Corp., proposed amendment to encourage the formation and growth of venture-capital investment pools; A. R. Kaiser, Sears, Roebuck & Co., advocated an amendment to code relative to method of taxing profit-sharing distributions; George Koss, the Associated General Contractors of America, Inc., favored amendment to permit a contractor to treat as net operating loss excess of replacement costs of equipment used in trade or business; Mrs. Enid H. Criswold, National Economic Council, Inc., testified in opposition to H. R. 4473 as presently constituted; and Calvin K. Snyder, National Association of Real Estate Boards, favored the provision on capital-gains tax on sales and exchanges of owner-occupied homes. Hearings continue tomorrow.

## SMALL BUSINESS—PRICE DISCRIMINATION

*Select Committee on Small Business:* Subcommittee continued hearings on S. 719 (good faith as a defense to a charge of price discrimination to meet the equally low price of a competitor), with the following representatives of wholesale grocers or wholesale grocer associations testifying in opposition to the bill: Mrs. R. H. Rowe, U. S. Wholesale Grocers Association of Washington; Charles S. Ragland, C. B. Ragland Co., Nashville; Alfred Dorman, Alfred Dorman Co., Statesboro, Ga.; E. H. Harrison, Biolini-Harrison Co., Clarksville Tenn.; and H. C. McCune, Potter-McCune Co., McKeesport, Pa.

This bill has already been reported to the Senate, and the Senate debated it some prior to reaching unanimous-consent agreement on July 2 to postpone further consideration and action on the bill until August 2. The Small Business Committee is holding hearings on the measure in pursuance of a suggestion in the debate in the Senate on July 2, prior to reaching the unanimous-consent agreement. Hearings continue tomorrow.

## House of Representatives

### *Chamber Action*

**Bills Introduced:** Ten public bills, H. R. 4821-4830; thirteen private bills, H. R. 4831-4843; and five resolutions, H. J. Res. 292 and 293 and H. Res. 328-330, were introduced.

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**Bills Reported:** Reports were made as follows:

H. J. Res. 292, making additional appropriations for disaster relief for fiscal year 1952 (H. Rept. 699);

H. R. 3298, to amend section 503 (b) of the Federal Food, Drug, and Cosmetic Act relative to the sale of potent prescription drugs (H. Rept. 700);

H. R. 4674, a private bill (H. Rept. 701);

H. J. Res. 281, authorizing the President to proclaim a special period for intensified voluntary contributions of clothing and kindred supplies in connection with the collection effort of American Relief for Korea, Inc. (H. Rept. 702); and

H. R. 4550, to provide for the control by the United States and cooperating foreign nations of exports to any nation or combination of nations threatening the security of the United States, including the Union of Soviet Socialist Republics and all countries under its domination (H. Rept. 703).

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**Committee Resignation:** Received letter of resignation of Representative Machrowicz from membership on the Committee on the Judiciary.

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**Order of Business:** Calendar Wednesday business in order on July 18 was, by unanimous consent, dispensed with.

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**Disaster Relief:** Adopted, by voice vote, and sent to the Senate H. J. Res. 292, making additional appropriations for disaster relief for the fiscal year 1952. This resolution makes \$25 million available for orderly and continuing means of assistance by the Federal Government to States and local governments in carrying out their responsibilities to alleviate suffering and damages resulting from major disasters.

Prior to adoption the resolution was amended to provide \$25 million instead of \$15 million. An amendment to earmark \$2 million for flood control and channel maintenance by the Army engineers on the Missouri River from Sioux City, Iowa, to Kansas City, Mo., was rejected.

Pages 8177-8192

**Consent Calendar:** On the call of the Consent Calendar the following bills were passed:

Sent to the Senate without amendments:

*Indian claims:* H. J. Res. 210, to provide a 1-year extension of the 5-year limitation on the time for presenting Indian claims to the Indian Claims Commission;

*Marine insurance taxation:* H. R. 2562, to require that a marine insurance company subject to excess-profits tax shall consider 50 percent of its reserves as equity capital in computing the tax under the equity-capital method;

*Public-land timber:* H. R. 3883, repeals certain laws relating to sale of timber and stone on public lands, and the removal of timber from public lands;

*National Guard uniforms:* H. R. 4113, to provide that distinctive mark or insignia shall not be required in the uniforms worn by members of the U. S. National Guard, both Army and Air; and

*Burlington toll bridge:* H. R. 4332, authorizing the city of Burlington, Iowa, to own, maintain, and operate a toll bridge across the Mississippi River at or near said city.

Sent to the Senate, amended:

*Land Management employees:* H. R. 2976, relating to the activities of temporary and certain other employees of the Bureau of Land Management; and

*Montana irrigation project:* H. R. 3144, directing the Secretary of the Interior to make certain construction cost adjustments in connection with the Greenfields division of the Sun River irrigation project, Montana.

Pages 8192-8195

**Narcotics:** By voice vote the House suspended the rules and passed H. R. 3490, to amend the penalty provisions applicable to persons convicted of violating certain narcotic laws. The purpose of the bill is to make more stringent and more uniform the penalties which would be imposed upon persons violating the Federal narcotic and marijuana laws.

Pages 8195-8211

**Defense Production:** Resumed consideration of H. R. 3871, to amend the Defense Production Act of 1950. During the consideration of a committee amendment authorizing a roll-back of 10 percent below the May 19, 1951, prices of agricultural commodities, Mr. Cooley offered a substitute amendment designed to prevent any roll-backs in prices of agricultural commodities. Later, an amendment to the Cooley amendment was submitted by Mr. Cox to prevent any roll-backs in prices of materials or services. All of the above amendments were pending when the Committee of the Whole rose.

Pages 8211-8227

## Committee Meetings

### MILITARY PUBLIC WORKS—RESERVES

*Committee on Armed Services:* Held further executive consideration of title III of H. R. 4524, to authorize certain construction at military and naval installations. This section of the bill contains the requests for authorization of Air Force construction plans, and representatives of the Department of the Air Force were heard during a day and a night session. Adjourned until tomorrow morning.

Met Saturday morning with Air Force representatives, on the same title. Also on Saturday morning, the Brooks Subcommittee on Civilian Components released its first interim report regarding recall and release of reservists. This subcommittee has been investigating the entire Reserve set-up prior to hearings to be conducted on a new

proposed Reserve law. The report stated that since the first Reserve call-ups since Korea many injustices and inequities exist, and that partial rectification can be made by an early release of all reservists now on active duty involuntarily.

## FEDERAL CATALOGING

*Committee on Expenditures in the Executive Departments:* Holifield Subcommittee on Executive and Legislative Reorganization resumed public hearings for the purpose of receiving views of representatives of the Atomic Energy Commission, Maritime Administration, Tennessee Valley Authority, and Civil Aeronautics Administration. Cataloging problems of the respective agencies were discussed, and departmental viewpoints were received regarding some uniform catalog arrangement. Adjourned until tomorrow on this subject, when it will hear representatives of the three military services and the Army Comptroller's Office.

## WAR WITH GERMANY—KOREAN RELIEF—SOVIET SHIPMENTS' BAN—VISA DIVISION

*Committee on Foreign Affairs:* Ordered the following measures reported to the House:

H. J. Res. 289, to terminate the state of war between the United States and the Government of Germany;

H. J. Res. 281, to authorize Presidential proclamation of a special period for intensified voluntary contributions of clothing and kindred supplies in connection with the collection effort of American Relief for Korea, Inc.;

H. R. 4550, to provide for the control by the United States and cooperating foreign nations of exports to any nation or combination of nations threatening the security of the United States, including the Union of Soviet Socialist Republics and all countries under its domination; and

H. R. 4674, authorizing the Secretary of State to continue Herve J. L'Heureux to serve as Chief of the Visa Division for an additional year commencing September 1, 1951.

Adjourned until tomorrow morning when it will resume consideration of the Mutual Security Program.

## WESTERN OKLAHOMA INDIANS

*Committee on Interior and Insular Affairs:* Morris Subcommittee on Indian Affairs held hearings, but took no final action, on H. R. 1635, to promote the rehabilitation of the Indians of western Oklahoma (authorizes \$20 million). Witnesses heard today in favor of the proposed authorization were Robert Goombi, member, intertribal council, Kiowa-Comanche-Apache Tribe; Woodrow Wilson, chairman of the business committee, Cheyenne-Arapaho Tribe; Jesse Rowlodge, chairman, legislative and claims committee, Cheyenne-Arapaho Tribe; and Dillon S. Myer, Commissioner of the Bureau of Indian Affairs, who also suggested various amendments. Adjourned subject to call of the Chair.

### CONDEMNATION PROCEEDINGS—ELECTORAL COLLEGE

*Committee on the Judiciary:* Walter subcommittee approved for reporting to the full committee S. J. Res. 82, with amendments, to provide for a uniform system of procedure relating to the trial of condemnation proceedings in the Federal courts; and H. J. Res. 19, to abolish the electoral college and provide that the President and the Vice President shall be elected at a general election.

Meeting with the subcommittee on S. J. Res. 82 was William D. Mitchell, New York City, former U. S. Attorney General, and Chairman of the Advisory Committee on Rules of Civil Procedure.

### MOBILIZATION, MONOPOLY

*Committee on the Judiciary:* Celler Subcommittee on the Study of Monopoly Power resumed its hearings on the monopoly aspects of the mobilization program. Appearing before the subcommittee, which is holding night session, was Manly Fleischmann, Administrator of the National Production Authority. Recessed until tomorrow night.

### AGENDA

*Committee on Un-American Activities:* Met for executive discussion of committee's future agenda. Made no announcement.

### BALING TWINE

*Committee on Ways and Means:* Opened hearings on H. R. 1005, to amend the Tariff Act of 1930 to provide for the duty-free importation of twine for baling hay, straw, and other fodder and bedding materials. The following witnesses, all of whom endorsed enactment of the measure, were heard at today's meeting: Senator Butler, of Nebraska; Representative Harvey, of Indiana; George S. Peer, secretary, National Committee for Farm Production Supplies, National Council of Farmer Cooperatives; J. T. Sanders, legislative counsel, National Grange; John Baker, National Farmers Union; and John C. Lynn, associate director, American Farm Bureau Federation. A statement, presented jointly by the four mentioned farm groups, recommended passage of the bill as being in the public interest for the following reasons: (1) To carry out a long-established tariff policy of Congress to admit free binding twine; (2) to increase the supply of baling twine available in this country; (3) to bring about a more reasonable price for baling twine; (4) to provide healthy competition, in which the domestic producer will continue to retain the bulk of a rapidly expanding market; and (5) to protect the American food supply. Hearings will be continued tomorrow.

**Tuesday, July 17, 1951**

### HIGHLIGHTS

Senate passed disaster relief and Government employee leave bills.

House continued work on amendments to Defense Production Act of 1950.

Senate committees voted to report bills on postal rates, and disaster appropriations, and subcommittees acted on bills on weather control and D. C. home rule.

State-Justice appropriation and tidelands oil bills cleared for House debate by Rules Committee.

## Senate

### Chamber Action

#### Routine Proceedings, pages 8232-8237

**Bills Introduced:** Seven bills and five resolutions were introduced, as follows: S. 1855 to S. 1861; and S. Res. 174 to S. Res. 178.

Pages 8235-8236, 8254, 8283-8284

**Bills Reported:** Reports were made as follows:

S. 509, to amend the Migratory Bird Hunting Stamp Act (to provide 15 percent of funds for enforcement) (S. Rept. 548);

S. 537, to provide for the greater security and defense of the U. S. against attack (Electromagnetic Radiation Control Act), with amendments (S. Rept. 549); and

H. J. Res. 292, providing additional appropriations for disaster relief, with amendment (without written report).

Pages 8234, 8238

**Bills Referred:** Eight House-passed bills were referred to appropriate committees.

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**Disaster Relief:** Senate passed and cleared for President H. J. Res. 292, providing \$25 million in additional