(junior grade) in the line, subject to qualification therefor as provided by law:

LINE

Roy E. Clymer Jr.	John L. Murphy
Chester E. Elliott	John F. Pierce
George Hamilton	Walter A. Walden
Helmuth A. Ludwig	Richard O. Wetmore
Raymond K. Marker	

SUPPLY CORPS

Robert L. Breeden

CIVIL ENGINEER CORPS

Donald O. Taber
Romeo E. Wilcox

CONFIRMATIONS

Executive nominations confirmed by the Senate June 17 (legislative day of June 10), 1952:

UNITED STATES DISTRICT JUDGE

Hon. Jon Wiig, of Hawaii, to be United States district judge for the district of Hawaii.

UNITED STATES MARSHAL

Clemens F. Michalski, to be United States marshal for the eastern district of Wisconsin.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 17, 1952

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty and Eternal God, wilt Thou hallow and sanctify, guide and strengthen our lives during this day as we seek to solve our many difficult national and international problems.

Expand and enlarge our minds and hearts with a healing sympathy for needy humanity. Deepen and widen our interest in every effort and plan to minister to its safety and security, its sorrows and struggles.

Grant that we may stand in the noble succession and the sublime tradition of all, who in every generation, have given themselves so sincerely and sacrificially for the liberties and welfare of mankind.

May we have an eye single to Thy glory and hold our own wishes in abeyance until Thou dost declare Thy will.

Hear our prayer in the name of Him who is the Lord and Master of us all. Amen.

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

SPECIAL ORDERS GRANTED

Mr. DOLLIVER asked and was given permission to address the House on July 1, 1952, for 30 minutes following any special orders heretofore entered.

Mrs. ROGERS of Massachusetts asked and was given permission to address the House today for 5 minutes, following any special orders heretofore entered.

SPECIAL ORDER VACATED

Mr. HARRISON of Nebraska asked and was given permission to vacate his special order for today.

EXTENSION OF WAR POWERS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 477) to continue the effectiveness of certain statutory provisions for the duration of the national emergency proclaimed December 16, 1950, and 6 months thereafter, but not beyond June 30, 1953, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CELLER, FEIGHAN, FORRESTER, BOGGS of Delaware, and HILLINGS.

PRIVATE CALENDAR

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

COL. JULIA O. FLIKKE AND COL. FLORENCE A. BLANCHFIELD

The Clerk called the bill (S. 2256) for the relief of Col. Julia O. Flikke and Col. Florence A. Blanchfield.

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

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Col. Julia O. Flikke, Army of the United States (retired), formerly Superintendent of the Army Nurse Corps, the sum of $1,534.44, and to Col. Florence A. Blanchfield, United States Army (retired), formerly Assistant Superintendent of the Army Nurse Corps, the sum of $1,865.05, in full satisfaction of their claims against the United States for reimbursement of pay and allowances lost by them as a result of the ruling of the Comptroller General on June 1, 1942 (21 Comp. Gen. 1073), which interpreted Public Law No. 252, Seventy-seventh Congress, first session (55 Stat. 728), to the effect that women could not draw pay as officers by virtue of temporary appointments in the Army of the United States made pursuant to said public law: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

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

JOHN J. SNOKE

The Clerk called the bill (S. 1360) to confer jurisdiction on the Court of Claims to hear, determine, adjudicate, and render judgment on the claim of John J. Snoke.

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

Be it enacted, etc., That the Court of Claims of the United States be, and hereby is, given jurisdiction to hear, determine on the merits, and to render in accordance therewith, judgment upon the claim, with such interest as the court may determine, of John J. Snoke and Thomas F. Christman (assignor to said John J. Snoke) against the United States for the use, during the occupancy and operation of the plant and facilities of the Goshen Veneer Co., Inc., Goshen, Ind., in the period from April 17, 1944, to November 5, 1944, of an invention covering methods and apparatus for forming wood veneer plywood tubes described in a patent application (serial No. 525,672) theretofore filed by said John J. Snoke and Thomas F. Christman, in conformity with the terms of a contract executed by and between said John J. Snoke and Thomas F. Christman and the said Goshen Veneer Co. on March 18, 1944, under which said company agreed to pay specified royalties to said John J. Snoke and Thomas F. Christman for the use of such invention. Suit upon such claim may be instituted at any time within 6 months after the date of enactment of this act, notwithstanding the lapse of time, laches, or any statute of limitations. Proceedings for the determination of such claim, and appeals from, and payment of, any judgment thereon shall be in the same manner as in the case of claims over which said court has jurisdiction under section 1491 of title 28 of the United States Code: *Provided*, That enactment of this act shall not be construed to raise any implication of liability by the United States.

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

CUBAN-AMERICAN SUGAR CO.

The Clerk called the bill (S. 2696) conferring jurisdiction upon the Court of Claims of the United States to consider and render judgment on the claim of the Cuban-American Sugar Co. against the United States.

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

Be it enacted, etc., That the Court of Claims of the United States be, and hereby is, given jurisdiction to hear, determine, and render judgment on the claim, together with interest thereon, of the Cuban-American Sugar Co. against the United States for a refund of taxes erroneously and illegally assessed and collected as excess-profits taxes for the period from January 1, 1917, to September 30, 1917. That, for the purpose of arriving at the correct determination of the tax for this period, the Court of Claims is to apply the method of computation under sections 201 and 203 of the Revenue Act of 1917, based upon the invested capital of the corporation amounting to $39,848,530.85, which was the invested capital of the Cuban-American Sugar Co. according to the decisions of the Board of Tax Appeals, all dated December 16, 1932, which decisions were based upon the stipulation entered into between the Cuban-American Sugar Co. and the Commissioner of Internal Revenue, whereby it was agreed that the sum of $39,848,530.85 was the invested capital of the Cuban-American Sugar Co. for the calendar year 1917.

SEC. 2. In the proceedings upon such claims before the Court of Claims the United States shall not avail itself of the defense that the general counsel for the Bureau of Internal Revenue acted without legal authority in making such stipulation of settlement.

SEC. 3. Suit upon such claim may be instituted at any time within 6 months after the date of enactment of this act, notwithstanding the lapse of time, laches, the form or any content or the time of filing of claims

for the refund and alleged amendments thereto, heretofore filed or any statute of limitations. Proceedings for the determination of such claim and appeals from the payment of any judgment thereon shall be in the same manner as in the case of claims over which such court has jurisdiction under section 1346 of title 28, United States Code, as amended.

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

MRS. KATHERINE L. SEWELL

The Clerk called the bill (H. R. 2278) for the relief of Mrs. Katherine L. Sewell.

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

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Katherine L. Sewell the sum of $40,000. The payment of such sum shall be in full settlement of all claims of the said Mrs. Katherine L. Sewell against the United States on account of personal injuries sustained by her when the automobile in which she was riding was struck by a Government vehicle on Okinawa Island, on April 3, 1949: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$40,000" and insert "$10,000."

The committee amendment was agreed to.

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

LEGAL GUARDIAN OF WILLIAM MOONEY

The Clerk called the bill (H. R. 3705) for the relief of William Mooney.

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

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William Mooney, 431 West Twenty-fifth Street, Manhattan, New York City, N. Y., the sum of $1,000. The payment of such sum shall be in full settlement of all claims of the said William Mooney against the United States on account of the injuries sustained by him on August 26, 1943, when he was struck by a United States Coast Guard truck while said truck was on the sidewalk abutting upon 439 West Twenty-fifth Street, Manhattan, New York City, N. Y.

With the following committee amendments:

Page 1, line 5, after "to", insert "the legal guardian of."

At the end of the bill insert the following: "*Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

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

The title was amended so as to read: "A bill for the relief of the legal guardian of William Mooney."

A motion to reconsider was laid on the table.

CLEMMER CONSTRUCTION CO., INC.

The Clerk called the bill (H. R. 3983) for the relief of the Clemmer Construction Co., Inc.

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

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Clemmer Construction Co., Inc., Akron, Ohio, the sum of $50,276.02, in full settlement of all claims of such company against the United States arising out of the construction of project O. H. 33013 Wilbeth-Arlington Homes, Akron, Ohio. Such company sustained losses (1) of $40,459.68 as the result of Executive Order No. 9310, which changed the minimum workweek from 40 hours to 48 hours after the contract for such construction had been signed on February 6, 1943, and (2) of $9,816.34 as the result of the confiscation by the United States, after the contract for such construction had been signed, of lumber consigned to such company for use in such construction: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon, notwithstanding the bar of the statute of limitations, the claim of the Clemmer Construction Co., Inc., of Akron, Ohio, against the Government of the United States on account of construction contract between the claimant and the Federal Housing and Home Finance Agency; said construction contract being numbered OH 33013, Wilbeth-Arlington Homes, Akron, Ohio: *Provided,* That it shall not be a defense on the part of the Government that the acts of the Government which are alleged to have harmed the claimant are acts done by the Government in its sovereign capacity."

The committee amendment was agreed to.

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

The title was amended so as to read: "A bill to confer jurisdiction upon the Court of Claims of the United States to consider and render judgment on the claim of the Clemmer Construction Co., Inc."

A motion to reconsider was laid on the table.

FRANCIS C. DENNIS AND MARVIN SPIRES

The Clerk called the bill (H. R. 4163) for the relief of Francis C. Dennis and Marvin Spires, of Eastover, S. C.

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

Be it enacted, etc., That the Secretary of the Treasury be, and is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $11,950 to Francis C. Dennis; and the sum of $1,000 to Marvin Spires, both of Eastover, S. C., in full settlement of all claims against the United States for personal injuries and expenses incident thereto sustained as the result of an accident involving a United States Army vehicle on August 9, 1946, in Columbia, S. C. The operator of such vehicle was not acting within the scope of his authority.

With the following committee amendment:

Page 1, in line 11, after "South Carolina", strike out the remainder of the bill and insert the following: " : *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

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

SANTOS SANABRIA ALVAREZ

The Clerk called the bill (H. R. 4502) for the relief of Santos Sanabria Alvarez.

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

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Santos Sanabria Alvarez, who was injured on December 1, 1940, when struck in Aguadilla, Puerto Rico, by a United States Army truck. The payment of such sum shall be in full settlement of all claims against the United States on account of such accident: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$1,000" and insert "$5,000."

The committee amendment was agreed to.

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

LUCIAN ROACH

The Clerk called the bill (H. R. 5126) for the relief of Lucian Roach, doing business as the Riverside Lumber Co.

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

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lucian Roach, doing business as the Riverside Lumber Co., Savannah, Tenn., the sum of $465.81. The payment of such sum shall be in full settlement of all claims of the said Lucian Roach against the United States for refund of taxes erroneously paid by him under the Federal Unemployment Tax Act for the years 1942 and 1943: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

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

LEGAL GUARDIAN OF RAYMOND GIBSON, A MINOR

The Clerk called the bill (H. R. 5127) for the relief of Mrs. Eleanora O. Gibson.

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

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Eleanora O. Gibson, Lakeland, Md., the sum of $2,500. The payment of such sum shall be in full settlement of all claims of the said Mrs. Eleanora O. Gibson against the United States arising out of the personal injuries sustained by her minor son, Raymond Gibson, on May 7, 1949, when he was struck by a Government vehicle being negligently operated by an enlisted man of the Army near the intersection of Lakeland Road and Fifty-fifth Street in Lakeland, Md. Recovery under the Federal Tort Claims Act was denied by the Department of the Army on the ground that the driver of the vehicle was not acting within the scope of his employment at the time of the accident: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, after "to", strike out the bill down to the colon in line 6, page 2, and insert in lieu thereof the following: "the legal guardian of Raymond Gibson, a minor, of Lakeland, Md., the sum of $1,000, in full settlement of all claims against the United States on account of the personal injuries sustained by the said Raymond Gibson, the pain and suffering undergone by him, the medical and hospital expenses incurred for his treatment, and the damage caused to his bicycle, as the result of an accident, involving an Army vehicle, which occurred at the intersection of Lakeland Road and Fifty-fifth Street, in Lakeland, Md., on May 7, 1949; the driver of the said Army vehicle was not acting within the scope of his employment at the time the said accident occurred: *Provided*"

The committee amendment was agreed to.

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

The title was amended so as to read: "A bill for the relief of the legal guardian of Raymond Gibson, a minor."

A motion to reconsider was laid on the table.

NORMAN E. DOLE, JR., ET AL

The Clerk called the bill (H. R. 5481) for the relief of Norman E. Dole, Jr., William F. Smith, John G. Harris, and James E. Chamberlain.

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

Be it enacted etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Norman E. Dole, Jr., Weaverville, Calif., the sum of $38.55; to William F. Smith, Eureka, Calif., the sum of $45.15; to John G. Harris, Weaverville, Calif., the sum of $89.15; and to James E. Chamberlain, Missoula, Mont., the sum of $33.25. The payment of such sums shall be in full settlement of all claims of such persons against the United States for compensation for personal property destroyed by fire on September 4, 1950, while they were employed by the Forest Service as fire fighters in the Plumas National Forest, Calif. No part of the amount appropriated in this act for the payment of any one claim in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

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

HENRY C. BUSH AND OTHERS

The Clerk called the bill (H. R. 7711) for the relief of Henry C. Bush and other Foreign Service officers.

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

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Henry C. Bush, $6,000; Anna Charlton, $2,656.50; Thomas J. Cory, $85; Helene E. Fischer, $1,000; Clive E. Knowlson, $851; Edwin W. Martin, $2,506.15; J. Hall Paxton, $1,010.50; Bertrand L. Pinsonnault, $73. Such sums are designated in full satisfaction of such foreign officers' or employees' claims against the United States for compensation for reasonable and necessary personal property lost while in the course of their duties as a result of war and conditions resulting from war: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

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

MRS. CORRINA ARENA

The Clerk called the bill (H. R. 7859) for the relief of Mrs. Corrina Arena.

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

Be it enacted, etc., That the late Pfc. Virgil A. Arena, who died of service-incurred disease on August 25, 1942, while serving in the Army of the United States, shall be held and considered to have had in effect at the time of his death national service life insurance in the amount of $10,000. The Administrator of Veterans' Affairs shall pay such insurance to Mrs. Corrina Arena, of North Bergen, N. J., mother of the said Virgil A. Arena. Although the said Virgil A. Arena stated before his death (and the statement was later corroborated by the adjutant of the station to which he was assigned for duty) that he had applied for such insurance in that amount, no such application and no such insurance policy has been located.

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

SALE OF PUBLIC LAND IN ALASKA

The Clerk called the bill (H. R. 1558) to authorize the sale of certain public land in Alaska to Victory Bible Camp Ground, Inc.

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

Be it enacted, etc., That the Victory Bible Camp Ground, Inc., is hereby authorized for a period of 1 year from and after the effective date of this act to file with the Secretary of the Interior an application to purchase, and the Secretary of the Interior is hereby authorized and directed to issue patent to it, for use as a recreational camp for young people, the northwest quarter southwest quarter, section 23, township 20 north, range 8 east, Seward meridian, Alaska, containing 40 acres.

SEC. 2. The patent shall not be issued until after payment has been made by the Victory Bible Camp Ground, Inc., to the Secretary of the Interior for the land at its reasonable appraised price of not less than $1.25 per acre, to be fixed by the Secretary, and shall not include any land covered by a valid existing right initiated under the public-land laws or found by the Secretary of the Interior to be needed for public purposes. The patent shall reserve to the United States the coal and other mineral deposits in the land together with the right to prospect for, mine, and remove the same under regulations to be prescribed by the Secretary of the Interior.

With the following committee amendments:

Page 2, line 4, strike the figure "$1.25" and insert in lieu thereof the figure "$10."

Page 2, line 11, following the word "under" insert the words "applicable laws and regulations." Strike the words "regulations to be prescribed by the Secretary of."

Page 2, strike all of line 12.

The committee amendments were agreed to.

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

SALE OF PUBLIC LANDS OF THE TERRITORY OF HAWAII

The Clerk called the bill (H. R. 4810) authorizing the Commissioner of Public Lands of the Territory of Hawaii to issue a right of purchase lease to Edward C. Searle.

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

Be it enacted, etc., That the Commissioner of Public Lands of the Territory of Hawaii, notwithstanding any provision of section 73 of the Hawaiian Organic Act, as amended, to the contrary, is hereby authorized and directed to issue immediately to Edward C. Searle a right of purchase lease, providing for rentals based upon current appraised values, of all lands for which application was made by him on or before November 27, 1940, for homesteading, such lands being identified by letter dated April 22, 1941, on file in the office of the Commissioner of Public Lands of the Territory of Hawaii.

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

SALE OF PUBLIC LAND TO THE CATHOLIC SOCIETY OF ALASKA

The Clerk called the bill (H. R. 3494) to authorize the sale of certain public land in Alaska to the Catholic Society of Alaska for use as a mission.

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

Be it enacted, etc., That the Catholic Society of Alaska, a nonprofit corporation, organized and existing under the laws of the Territory of Alaska, whose ex officio president and general manager is the Catholic bishop of Alaska, is hereby authorized for a period of 1 year from and after the effective date of this act to apply for the purchase of, and the Secretary of the Interior is hereby authorized and directed to convey to the corporation, for use as a mission, the following-described public land situated in Alaska: Northeast quarter northeast quarter section 30, township 4 north, range 1 west, Copper River meridian, Alaska, containing 40 acres.

SEC. 2. That the conveyance shall be made upon the payment by the said corporation for the land at its reasonable appraised price of not less than $1.25 per acre, to be fixed by the Secretary of the Interior: *Provided*, That the conveyance hereby authorized shall not include any land covered by a valid existing right initiated under the public-land laws: *Provided further*, That the coal and other mineral deposits in the land shall be reserved to the United States, together with the right to prospect for, mine, and remove the same under applicable laws and regulations to be prescribed by the Secretary of the Interior.

With the following committee amendments.

Page 1, line 3, strike the words "Society of Alaska, a nonprofit" and insert in lieu thereof the words "Bishop of Northern Alaska, a religious."

Page 1, line 4, insert the word "sole" preceding the word "organized."

Page 1, lines 5 and 6, strike the words "whose ex officio president and general manager is the Catholic bishop of Alaska,."

Page 1, line 11, strike the words "Northeast quarter northeast" and insert in lieu thereof the words "Southeast quarter northeast."

Page 2, line 5, strike the figure "$1.25" and insert in lieu thereof the figure "$10.00."

Page 2, line 8, strike the word "laws:" and insert in lieu thereof the word "laws."

Page 2, strike all of lines 9 to 13, inclusive.

The committee amendments were agreed to.

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

The title was amended so as to read: "A bill to authorize the sale of certain public land in Alaska to the Catholic bishop of northern Alaska for use as a mission."

A motion to reconsider was laid on the table.

SALE OF PUBLIC LAND TO THE KENAI (ALASKA) TROOP 653 OF THE BOY SCOUTS OF AMERICA

The Clerk called the bill (H. R. 6385) to authorize the sale of certain public lands in Alaska to the Kenai (Alaska) Troop 653 of the Boy Scouts of America.

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

Be it enacted, etc., That Troop 653 of the Boy Scouts of America, Kenai, Alaska, is hereby authorized for a period of 1 year from and after the effective date of this act to apply for the purchase of, and the Secretary of the Interior is hereby authorized and directed to convey to the organization for a camp site and other public purposes, the following-described public lands situated in Alaska:

Lots 1, 2, 6, 7, and 8 of section 10, township 5 north, range 9 west, Seward meridian, embracing approximately 133.86 acres.

SEC. 2. That the conveyance shall be made upon the payment by the said troop for the land at its reasonable appraised price of not less than $1.25 per acre, to be fixed by the Secretary of the Interior: *Provided*, That the conveyance hereby authorized shall not include any land covered by a valid existing right initiated under the public-land laws or found by the Secretary of the Interior to be needed for public purposes: *Provided further*, That the coal and other mineral deposits in the land shall be reserved to the United States, together with the right to prospect for, mine, and remove the same under applicable laws and regulations to be prescribed by the Secretary of the Interior.

SEC. 3. That such conveyance shall contain the further provision that if Troop 653 shall at any time cease to use the property so conveyed for a camp site and other public purposes title thereto shall revert to the United States.

With the following committee amendments:

Page 1, lines 3 and 4, delete "Troop 653 of the Boys Scouts of America, Kenai, Alaska," and substitute the words "the Alaska Council of Boy Scouts of America."

Page 2, line 4, delete the word "troop" and add the word "council."

Page 2, line 5, delete "$1.25" and add the figure "$10."

Page 2, line 10, delete all after the word "public" and delete lines 11 to 18, inclusive, and insert the word "purposes."

The committee amendments were agreed to.

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

The title was amended so as to read: "A bill to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for a camp site and other public purposes."

A motion to reconsider was laid on the table.

JEAN KRUEGER AND EDITH KRUEGER

The Clerk called the bill (S. 365) for the relief of Jean Krueger and Edith Krueger.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Jean Krueger and Edith Krueger shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct appropriate numbers from the first available appropriate quota or quotas.

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

SOTIRIOS CHRISTOS ROUMANIS

The clerk called the bill (S. 587) for the relief of Sotirios Christos Roumanis.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Sotirios Christos Roumanis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

ZIEMOWIT Z. KARPINSKI

The Clerk called the bill (S. 779) for the relief of Ziemowit Z. Karpinski.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Ziemowit Z. Karpinski shall be held and considered to have been lawfully admitted to

the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

CAESAR J. (RAAUM) SYQUIA

The Clerk called the bill S. 1363) for the relief of Caesar J. (Raaum) Syquia.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Caesar J. (Raaum) Syquia shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

SISTERS DOLORES ILLA MARTORI ET AL.

The Clerk called the bill (S. 1527) for the relief of Sisters Dolores Illa Martori, Maria Josefa Dalmau Vallve, and Ramona Cabarrocas Canals.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Sisters Dolores Illa Martori, Maria Josefa Dalmau Vallve, and Ramona Cabarrocas Canals shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to each such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

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

ROSARINA GAROFALO

The Clerk called the bill (S. 1555) for the relief of Rosarina Garofalo.

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

Be it enacted, etc., That for the purposes of section 6 (a) (2) of the Immigration Act of 1924, as amended, Rosarina Garofalo shall be held and considered to be under 21 years of age.

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

CONSTANTIN ALEXANDER SOLOMONIDES

The Clerk called the bill (S. 1566) for the relief of Constantin Alexander Solomonides.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Constantin Alexander Solomonides shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

DOREEN IRIS NEAL

The Clerk called the bill (S. 1637) for the relief of Doreen Iris Neal.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Doreen Iris Neal shall be deemed to have been born in Great Britain.

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

HELEN SADAKO YAMAMOTO

The Clerk called the bill (S. 1676) for the relief of Helen Sadako Yamamoto.

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

Be it enacted, etc., That Helen Sadako Yamamoto, who lost United States citizenship under the provisions of section 401 (e) of the Nationality Act of 1940, as amended, may be naturalized by taking prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 301 of the Nationality Act of 1940, as amended, or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 335 of the said act. From and after naturalization under this act, the said Helen Sadako Yamamoto shall have the same citizenship status as that which existed immediately prior to its loss.

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

SISTER MARIA SEIDL ANI SISTER ANNA AMBRUS

The Clerk called the bill (S. 1681) for the relief of Sister Maria Seidl and Sister Anna Ambrus.

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

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Sister Maria Seidl and Sister Anna Ambrus shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to each such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

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

ELSE NEUBERT AND HER TWO CHILDREN

The Clerk called the bill (S. 1715) for the relief of Else Neubert and her two children.

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

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, Else Neubert, the German fiancée of Sgt. Clyde E. Fritz, a United States citizen now serving in the United States Army, and her two children shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months: *Provided*, That the administrative authorities find that the said Else Neubert is coming to the United States with a bona fide intention of being married to the said Sergeant Fritz, and that she and her two children are found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of the said Else Neubert, she and her two children shall be required to depart from the United States, and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of 1917, as amended (U. S. C., title 8, secs. 155 and 156). In the event that the marriage between the above-named parties shall occur within 3 months after the entry of the said Else Neubert, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Else Neubert and her two children as of the date of the payment of the required visa fees and head taxes.

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

SISTER STANISLAUS

The Clerk called the bill (S. 1776) for the relief of Sister Stanislaus.

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

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Sister Stanislaus shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

JOHN KINTZIG AND TATIANA A. KINTZIG

The Clerk called the bill (S. 1843) for the relief of John Kintzig and Tatiana A. Kintzig.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, John Kintzig and Tatiana A. Kintzig shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

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

TOSHIKO MINOWA

The Clerk called the bill (S. 1903) for the relief of Toshiko Minowa.

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

Be it enacted, etc., That the provisions of section 13 (c) of the Immigration Act of 1924, as amended, relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Toshiko Minowa, the Japanese fiancée of Edward W. Roselle, a citizen of the United States, and that the said Toshiko Minowa may be eligible for a nonquota immigration visa if she is found otherwise admissible under the immigration laws: *Provided*, That the administrative authorities find that marriage between the above-named parties occurred within 3 months immediately succeeding the enactment of this act.

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

SUSAN PATRICIA MANCHESTER

The Clerk called the bill (S. 2561) for the relief of Susan Patricia Manchester.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, the minor child, Susan Patricia Manchester, shall be held and considered to be the natural-born alien child of Lt. Col. and Mrs. B. B. Manchester, citizens of the United States.

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

NICCOLO LUVISOTTI

The Clerk called the bill (S. 2566) for the relief of Niccolo Luvisotti.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Niccolo Luvisotti shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act.

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

MRS. MARIE Y. MUELLER

The Clerk called the bill (S. 2635) for the relief of Mrs. Marie Y. Mueller.

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

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond which may have been issued in the case of Mrs. Marie Y. Mueller, of Spokane, Wash. The said Mrs. Marie Y. Mueller, who has resided in the United States since 1933, shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or such warrants and order have issued.

SEC. 2. Notwithstanding any provision of the immigration laws, the said Mrs. Marie Y. Mueller shall be considered as having been lawfully admitted into the United States for permanent residence as of the date of the enactment of this act, upon the payment by her of the visa fee of $10 and the head tax of $8.

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

SISTER JULIE SCHULER

The Clerk called the bill (S. 2706) for the relief of Sister Julie Schuler.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Sister Julie Schuler shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called the resolution (S. Con. Res. 72) favoring the suspension of deportation of certain aliens.

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

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-5500365, Arlia, Giuseppe or Joe Ross or Jim Ross or Vincenzo Rosso.
A-3523625, Au, Tai Yuen or Au Fook.
A-6979681, Ball, William Walter.
A-5712357, Barendsz, Fytse or Sidney.
A-7197065, Baron, Judith.
A-4464789, Bedyneck, Joseph, or Richard Jensen.
A-7991493, Bernard, Monica Mary Brooks (nee Monica Mary Brooks).
A-1547901, Bernardo, Ralph Ciddio or Raffaele Ciddio Bernardo or Ciddio Raffaele Salvadore Bernardo.
A-4951559, Bettaglio, Antonio.
A-7293023, Bhacca, Nari Sarosh or Norman Sarosh Bhacca.
A-2935597, Brunetti, Margherita.
A-7350065, Bryant, Marie Margaret or Margaret Marie Bryant or Margaret M. Glass or Marie Margaret Glass or Marie Margaret Smith or Marie Margaret McDonald.
A-7687528, Buchanan, Mollie Macfie.
A-5460611, Capela, Manuel Esteves.
A-1979014, Carriere, John Cyprien or Jack Carriere or Jack Currie.
A-4872936, Cazes, Albert Ascher.
A-3486718, Cerecero, Maxima vda. De Duran or Maxima Cerecero Vda, De Reina.
A-7241654, Chan, Annie Maria Siu (nee Annie Maria Siu).
A-1669099, Chang, Tun Yin.
A-7476974, Chang, Wang Kuo or James Kuo-Chang Wang.
A-7457090, Wang, Tsai-Lu Wang or Janie Tsai-Lu Chang.
A-9655778, Cheng, Tim Chee or Tim Chen Cheng or Ting Chin Cheng.
A-5371509, Chivers, Oswald.
A-5891452, Chun, Gordon.
A-4816198, Clarke, Archibald.
A-1223634, Cominsky, Jacob.
A-4121674, Cominsky, Rose.
A-1269971, Sharkey, Betty or Sharky or Sharkansky (nee Claff) also known as Betty Clark or Cummings.
A-2025705, Coris, Costas or Gust Coris or Constantinos Kalouris.
A-1890635, Cosenza, Maria (nee La Verde).
A-6039091, Cruz-Valencia, Ramon.
A-3483694, Czarov, Alexander Ivanovich.
A-2445361, Daniele, Peter or Peter Daniel or Vito Pietro Daniels.
A-5709219, De Duran, Dolores Gutierrez.
A-4825320, De Garcia Florentina Gonzalez.
A-7948714, De Vela, Consuela Salas.
A-4569398, Diaccumakos, Demetrius Thomas or James Thomas Dimaxos.
A-6840142, Dimmick, Mary Jane or Mary Jane Murphy or Patricia Schooley.
A-6808021, Murphy, Terence Noel.
A13852013, Dong, Tung or Wing Tong.
A-4588886, Dugack, Teodoska (nee Fedorka).
A-7427979, Ehrenberg, Arthur formerly Arnold Otto Paul Czabzeck.
A-4666503, Eng, Eleuteria Suarez-de.
A-3693284, Essa, Louis or Louis Essa Douyh.
A-5257777, Fernandez, Luis Antonio or Luis Antonio Fernandes.
A-2128182, Fidalgo, Manuel Gonsalves.
A-3298393, Flannery, Michael Joseph.
A-3564513, Florinchi, Todor or Theodore Florinchi.
A-5012501, Florinchi, Savetta (nee Savetta Varge) formerly Savetta Fontu or Stella Fantu or Elizabeth Florinchi.
A-6774195, Florinchi, Valeria.
A-4720344, Ganczarski, Mary (nee Juwa).
A-6016094, Garcia-Gomez, Pedro Manuel or Peter M. Garcia.
A-7890141, Gardner, Gordon Terence.
A-6744391, Garza-Moreno, Nicholas.
A-6861972, Gaudillat, Josiane Francoise.
A-4674943, Goldberg, Nathan Bernard.
A-5718309, Gomez, Ana or Ana Gomez Ontiveros.
A-6057420, Guerrero-Uballe, Juan.
A-7140234, Han Yu Shan.
A-5388854, Heeren, Arthur.
A-1297509, Hing, Chow Ling or Chow Shee or Wong Chow Ling Hing or Mrs. Junng Tai Wong.
A-3210708, Hosaki, Totaro.
A-7140421, How, Louie or How Louie.
A-6694208, Hsu, Yao Tung Wu.
A-6509198, Hurtado, Felipe Dominguez or Felipe Dominguez.
A-4692608, Iacovides, Theodosios.

A-5082127, Isbell, Gertrude Hedwig Martha (nee Breuer) or Gertrude Hedwig Martha Adams.
A-6435652, Jio-Gonzalez, Ruben or Ruben Gio or Ruben Puio or Ruben Guion.
A-4187777, John, Hugo Paul.
A-5906641, John, Marcel Jean.
A-5907429, Johnson, Norma Laurine (nee Norma Laurine Shannon) formerly Norma Wooffinden or Norma Arthur.
A-4649510, Kajiwara, Utako.
A-6309614, Kalisher, David.
A-7205704, Karjanis, Lee (nee Sio Lien San).
A-7991497, Kasaper, Kiyork Nabet.
A-3880753, Kerim, Demir or Damir Kerim or Dayan Dalep or Beyram Dalip.
A-7240409, Kidd, Uirike Amalie Hofer.
A-5055926, Klein, Johann.
A-1283526, Kokkolis, Panagiotis or Pete Kokkolis.
A-4978555, Krenn, Tony.
A-5974267, Kutty, Mossa.
A-7594525, Kwoh, Sih-Ung or Edwin Sih-Ung Kwon.
A-6905015, Landa, Samuel.
A-8021645, Larkin, Joyce Muriel.
A-7469583, Laudadio, Rocco.
A-7835225. Lawther, Werner Krethe, formerly Werner Krethe.
A-6474031, Le Borious, Valma May.
A-4050394, Ledakis, Helen E. or Helen Leandris (nee Tbiganos Helen Gus Leandris).
A-3612342, Lee, Kok Sing.
A-7193918, Lemacks, Gisele Gabrielle, formerly Lhirondelle.
A-5408671, Locher, Adolf or Adolph Paul Locher.
A-5379238, Locher, Emma Maria.
A-7044048, Lulic, Victor Benjamin or Victor B. Lulic.
A-6859251, Luna-Luna, Hector or Hector Salazar.
A-2893543, Mac Lean, James Fulton.
A-3018255, Madonis, Barashos Antoin or Peter Madonis Parshos or Baraschos Mandonis.
A-7056866, Manesiotis, Maria Nina, formerly Marusopulos.
A-6780705, Markowitz, Irene (nee Neufeld).
A-1009811, Mavrogiannis, Angelos or Gianis.
A-9021476, Mawro, Krist Grgo or Mavro.
A-1627117, Mazzulla, Gertrude Barnet (nee Black).
A-2452703, McCord, William Samuel.
A-5970774, McEachon, Mary Ann (nee Williams).
A-4665414, Medford, Eric George.
A-1319482, Michaud, Dirk or Dick.
A-5877467, Mininni, Luigi.
A-1883042, Molas, Angelos, or Spyroevangelas Malataras.
A-7962241, Monroe, Henry Charles.
A-7980333, Montoya-Ramirez, Carmen.
A-7980332, Montoya-Ramirez, Gonzalo.
A-5470657, Moreno, Guadalupe vda. De Martinez.
A-4617917, Nakao, Mataichi.
A-7371653, Nalbandian, Frederik (nee Martin).
A-2672460, Navarreta, Salvatore, or Rocco Moiliaro.
A-5210566, Neukum, Konrad.
A-5612607, Neukum, Helen.
A-7130886, Neukum, Elizabeth Victoria.
A-5640210, Niksich, Mile John.
A-6019389, Niles, Lyra (nee Penn).
A-7483180, Niphoratos, Spiros, or Spiros Nifotatos.
A-4635358, Norrgran, Lydia Ranghild.
A-4927772, Papaionnou, Epaninondas Konstantine, or Papas.
A-5273178, Paquette, Marie Alberta.
A-2792231, Pentarakionos, Markos or Markos Bentaraklianos or Marcus Thomas or Marcos Thomas.
A-5720965, Phelan, Clara Ann (nee McCarthy) or Clara Ann Gerard.
A-4550272, Ponte, Severino Rilo.
A-3508958, Promichliansky, Klara.
A-4189890, Quan, Kwan Hung or Kwan Lai Hung or Kwan Yee Sun.
A-8001109, Quon, Chin or Charlie Chin or Chin Shew Yiou.
A-7864679, Raschke, Irmgard Helen Harriett.
A-5385101, Richter, Hans Edwin or Edwin Richter or Johannes Richter.
A-5111744, Robert, Balere.
A-2924233, Robin, Jeannette or Jennie Robinowitz.
A-6989531, Rojas, Melquiades Romero.
A-3784905, Rondini, Carmela or Carmella Camilucci Rondini.
A-7387531, Rubalcaba-Gutierrez, Zenaido or Epolito Reza-Gonzalez.
A-3715561, Sanchez, Juan.
A-8031686, Shay, Evelyn, Mavis.
A-4288667, Simko, Michael or Michael Yovnas.
A-5770761, Smith, Arthur Wellesley.
A-5282778, Smith, William Wallace Ellis.
A-3857451, Spangberg, Carl Arvid.
A-4718938, Sprovieri, Salvatore or John Sam Perri.
A-1305125, Stefan, Petru.
A-6798840, Steinberg, Lila (nee Kruszewska).
A-7177877, Stoll, Pamela.
A-4523882, Tai, Gong Hing or Gong Shee or Mrs. Hing Tai Shing.
A-6085947, Young Shum.
A-4377216, Thomas, Ethelbert Elias.
A-7039534, Thomasova, Donata Christina.
A-5764453, Tong, Lee.
A-3627969, Too, Sing Samm.
A-3554845, Torihara, Fumiko or Fumiko Hirai.
A-4630985, Tsurudome, Hiroshi.
A-3404541, Tsurudome, Yaye or Yae (nee Yunoni).
A-3341977, Valles-Alvarez, Agustin.
A-4310944, Veilleux, Magloire Armidas.
A-5018260, Vianello, Domenico Sperindeo or Domenico Vianello.
A-4832140, Vine, Marie Louis Benson or Mrs. Reginald Sommers or Summers.
A-3246562, Virgili, Andrea.
A-7826091, Voyce, Christine Evelyn.
A-5418284, Wada, Iwao.
A-7879632, Wang, Gung Hsing.
A-3870264, Wilson, Wilhelmina Anna (nee Mehner).
A-3199565, Wing, Choken Raise.
A-4684757, Wolfgarten, Johann or John Wolfgarten.
A-7491363, Wong, Kim Tong.
A-3357787, Wong, Shiu Yiu.
A-5344488, Wright, George Fred Henry or Harry Wright.
A-6709273, Yu, Jung-Chien.
A-5374158, Zachara, Stanislaw or Stanley.
A-6569477, Alexas, Hariklea George.
A-5533704, Arnold, Arthur.
A-2396445, Ayala-Cortes, Froylan.
A-8001562, Bachman, Ada Alson or Ada Alson Tight.
A-8001561, Bachman, John Francis or John Tight.
A-5725345, Barles, Ann.
A-5695788, Bellin, Sonia.
A-4305632, Bianchi, Gaetano Carmelo.
A-4134714, Bires, George.
A-2139426, Bousoulas, John or John Evangelos or Ioannis Bousoulas.
A-1482700, Brander, Vera nee Jadviga Galisky or Virginia Brander.
A-7847331, Brantley, Elizabeth Lucien.
A-2303919, Breen, Michael or Melville Borsuk.
A-7476981, Briones-Barrientos, Martin.
A-7476151, Briones, Frances Hermandez de.
A-7999439, Bryan, Henry Tolenard.
A-4399177, Buttner, Harry Herbert Oscar.
A-4509405, Busch, Julius.
A-5113476, Cacciola, Giovanni.
A-3629914, Caravela, Manuel.
A-7274292, Castro, Wilfredo.
A-7364864, Castro, Maria Elena.
A-7365873, Castro, Francisca.
A-5954837, Cavalas, Ioannis Demetrios or John Gavalas.
A-7450290, Cela, Sali or Amarra Sila or Charles Schiller.
A-6918458, Chang, Raymond Lu Yu.
A-7415094, Chang, Regina Marie.
A-2651635, Chiang, Hwang Yung.
A-6420096, Chun, Ki-Kwan or KiKwee Chun.
A-4657808, Creque, Elvin Augustus or Elwin Creque.
A-5998288, Creque, Idalia Sylvanita.
A-5653239, Dangl, Karl or Charles Denny.
A-3561532, De Durazo, Esperanza Diega Tyler-Chavez or Esperanza Diega Tyler de Traslavina.
A-5641241, De Gonzalez, Maria Salas.
A-7978775, De Guitierrez, Elodia Morales or Elodia Morales de Mosa or Elodia Morales de Garibay.
A-4787642, Dell, Susanna (nee Vogel).
A-5727520, De Lopez, Juana Concepcion Acosta Vda.
A-6919715, De Lugo, Damiana Concepcion Monte.
A-7469556, De Medina, Amalia Martinez or Molly Martinez Medina.
A-7983505, De Rascon, Sofia Perez.
A-3446280, De Romero, Carmen Trejo-Saenz or Carmen Saenz de Romero.
A-7640419, De Sierra, Carina Mancebo or Carina Sierra.
A-4268177, De Vallejo, Jesusa Hinojosa.
A-2697484, Dos Santos, Jose or Joseph Santos or Dos Santos.
A-7463596, Eldridge, Claudia Tour.
A-4019727, Elmer, Harty Laurier.
A-6949324, Ergun, Sabri.
A-3834739, Ericsson, Thor Gustav.
A-7372121, Falter, Christel or Christel Mueller.
A-3273354, Felactos, Nick S.
A-7389936, Francone, Frank.
A-1134757, Friedman, Alice (nee Gold).
A-3195130, Fung, Jan.
A-7273938, Galanakis, Catina Jean.
A-4146757, Ganz, Valentine or Wally Ganz.
A-7130271, George, Peter or Panagiotis Georgiou Iosif or Panagiotis Georgiou.
A-3043291, Gettinger, Rifka (nee Weinrieb).
A-5049631, Godfryd, Violet (nee Stuart).
A-6069444, Goodden, Alexandra or Alexandra Dickerson.
A-7927395, Graves, Margaret Isobel.
A-7978840, Greenberg, Jack.
A-4074268, Grinberg, Dora or Greenberg.
A-2474659, Grossman, Miriam.
A-4863957, Gutierrez-Roca, Ruben Oscar.
A-5505419, Gutierrez, Maria Josefa Morales de.
A-7445427, Habig, Frank Peter Michael.
A-7277540, Hamel, Marie Therese Ghislaine.
A-5223286, Hannivig, Linda (nee Linda Louise Phillipps) alias Rose Carroll.
A-5476760, Huang, Paul Chang-Chih.
A-967986, Hunter, Hugh Howard.
A-7915552, Infante, Giuseppe.
A-4972756, Jamieson, Lilian Edeline (Edna) Ruth.
A-5416948, Jansch, Karl Ernest.
A-4557518, Jensen, Alice Erna (nee Shawcross) or Alice Erna Shawcross Panette.
A-7982541, Joe, Barbara Pao-Ying Chan or Barbara Pao-Ying Chan or Barbara Chan.
A-2241075, Johansson, Hedvig Elisabet.
A-7450417, Judice, Elvira.
A-4538554, Kampetsis, George.
A-5541308, Kelemeczky, Mary or Marishka Kelemczky (nee Zwillinger).
A-8001105, Kincaid, Robert George alias Hanns George Stahl.
A-1283525, Kokolis, Androgianos Soterios or Androgianos Sam Kokolis.
A-3525155, Kosciow, George.
A-5794313, Kostelac, Nilola.
A-3483906, Krause, Sonia (nee Globerson) or Sonia Krutchik.
A-3482042, Krause, Herman or Krutchik.
A-1419929, Laes, Eleonore Juliane formerly Tiisma (nee Eleonore Juliane Randorf).

A-6420096, Chun Ki-Kwan or Ki-Kwee Chun.
A-3484114, LaVega, Jose De or Jose De La Vega Ruiz.
A-7367020, Lee, Chi Yuan.
A-7193917, Lemacks, Jackie Pierre formerly Lhirondelle.
A-5280689, Lentsky, Fred or Fred Lenett.
A-7982152, Leonard, Henry Osborne.
A-7957312, Leung, Dot alias Leung King Do.
A-4447058, Lipkus, Lena (nee Libka Pusezefsky) alias Libko Richefsky.
A-5054348, Lowe, Mary (nee Jansa).
A-5054349, Lowe, Thomas Walker.
A-7031238, Lowe, Vivian Valerie.
A-6054492, Lucido-Aguilar, Angel Francisco.
A-8015826, Lui, Coon alias Goon Lui alias Chong Louie.
A-2736882, Madsen, Robert Angelov.
A-5369683, Marketos, Angelos Haralambos.
A-5435529, Marshall, George Henry.
A-9825369, McCormick, James Hilbert.
A-5801734, McLellan, Daniel.
A-4597364, McLellan, Mary.
A-4346684, Michalovic, Frantizek alias Frank Michalovic.
A-7267742, Miranda, Nelson.
A-3323703, Morais, Duarte Seabra.
A-3561589, Morett, Angelina Eva (nee Traslivina).
A-7821135, Muratis, John Stylianos.
A-6739614, Nadeau, Christiane Helena or Christiane Splingaerd Nadeau.
A-4054890, Naeyaert, Marguerite.
A-3373711, Nelson, Egil Hans.
A-2474658, Nemoy, Margery.
A-4002895, Nicholas, Athanasios Nicholaos.
A-2747140, Omachi, Tsuku.
A-7367024, Ortega-Rodriguez, Rafael.
A-3759192, Pardo, Henry Vasquez or Enrique Vasquez-Pablo.
A-4701047, Pellini, Attilio.
A-7978974, Pennington, Adolphis Barry alias Barry Pennington.
A-4439971, Perfetti, Marco Michael alias Caspare Corsi.
A-3179978, Perez, Ursula Monica.
A-7984786, Perez, Juana Francisca Gonzalez De.
A-8017514, Perez-Castillo, Maximino.
A-7984763, Perez-Gonzalez, Felipe.
A-5693987, Pineda, Maurilio or Maurilio or Maurilio Pineda Sanchez.
A-4399528, Polydor, Charlie J. or Theophilos Jerry Polydoros.
A-4622799, Prehn, Anna (nee Kettner) formerly Strauss.
A-7140739, Puskaritz, Justina alias Mary Angela Marcks.
A-2310519, Radosevich, Charles Joseph alias Joseph Charles Radosevich.
A-6389821, Rao, Sanadi Dattatreya.
A-7115201, Reid, Dorothy Ann.
A-5082673, Reid, Joseph Francis.
A-7178066, Rios-Pena, Andres.
A-5421022, Rodriguez-Benites, Jenadio.
A-4707387, Rubin, Esther.
A-8015271, Russell, Brenda Valeria.
A-3359625, Sakihara, Ikumori alias John Sakihara.
A-1416420, Sakur, Samat Pary.
A-7358559, Sankey, Orville David Joseph.
A-4528629, Senesi, John or Jan or Josef or Jozef Senesi.
A-7948706, Sham, Kung.
A-7438930, Shepard, Wolfram Werner or Wolfram Werner Schlicht.
A-7115200, Sheppard, Rebecca Cohen.
A-5393248, Silva, Augusto Luz.
A-5404553, Smimmo, Frances Donahue.
A-4188714, Smith, Vera alias Glekeria Kitsul alias Vera Cossack alias Vera Kitzul alias Vera Kitsel.
A-5597753, Spaulding, Myrta Louise.
A-4870986, Strassman, Hirsch.
A-4940039, Suarez Juan De Dios Alvarez.
A-4367483, Sumampow, Philip or Hassan Bin Summampow or Hassan Bin Sambang.
A-2949357, Tai, Suekichi.
A-2948231, Teixeira, Augusto Martins.
A-8021681, Thomas, Randolph.
A-7962124, Trejo, Vicenta.
A-7962125, Trejo, Maria Ausilio Haro.
A-5876019, Tzetzias, Epamindondas Dimitrios alias Paul Georgis.
A-4863022, Valdez-Nuncio, Raymundo.
A-7476651, Valerino, Vincenza Parello.
A-4268179, Vallejo-Hernandez, Antonio.
A-4679896, Vaz, Francisco Maria alias Juan Antonio Carranone.
A-2772267, Veis, Hassim alias Sam Veis alias Assim Veis alias Hassim Bekolli Veis.
A-3256738, Vlisides, Nicholas Zanne or Polites.
A-7848405, Vogt, George.
A-6576413, Voutyras, Kyriakos Constantine.
A-9764898, Vurgun, Hasan Hayri or Bill Hayri or Bill Vurgun or Hayri Vurgun.
A-7128707, Watson, June Eileen.
A-6972998, Way, Huie Tai.
A-5461080, Webster, Felicia Grace (nee Hoffman) formerly O'Neil.
A-8021499, Westerman, Elsie Josephine alias Elsie J. Chapman.
A-4698119, White, Anna Juliana.
A-3863628, White, Gladstone Joseph alias Ziggy White.
A-9767795, Wilk, John Hilmar.
A-1558566, Williams, Rafael Torsten alias Rafael Torsten Lindquist.
A-7821930, Wilson, Brian Douglas formerly Maurice Guimont.
A-7983226, Woo, Carole Kwan.
A-8021646, Wright, Florence Louise Wright (nee Kilpatrick).
A-7283661, Xydas, Maria Emmanuel (nee Chryssakis) (Hrisakis).
A-8039500, Yee, Frank Hung Jen.
A-7222512, Yu, Thomas Ho-Lung.
A-5395963, Zutshi, Triloki Nath alias Nath Zutshi Tirloki.
A-3855823, Amourgis, Christos or Christ Amour.
A-5464060, De Zavadski, Joseph or Giuseppe.
A-2433555, Spigai, Attilio Oreste ar Apigai Attilio.
A-5056170, Embiricos, Andrew Michael.
A-5500963, Katzenmayer, Jacob.
A-5500964, Katzenmayer, Katherine (nee Strictel).
A-6682185, Schulgasser, Lew or Lew Shulgasser.
A-6675072, Schulgasser, Luba or Luba Schulgasser (nee Golante).
A-5205272, Embericos, Ecaterina Mihail or Catherine Nina Embiricos.
A-9764776, Xydias, Peter or Panagiotes Xideas or Panagiotis Xidias.
A-7203946, Croy, Frances Ada or Frances Morton or Frances Manning or Anna Hall.
A-3450155, Stolz, Margaret Lily or Margaret Egerer (nee Margaret Karner).
A-5238396, Kopsinis, Peter or Panagiotis Kopinis.
A-6359300, Fong, Rosa An (nee Rosa An Gonzalez).
A-6535699, Hadjipateras, Constantin John or Constantinos Hadjipateras or Costis Ioannis Hadjipateras.
A-6897748, Lentakis, John Elias or Jean Elie Lentakis.
A-6605501, Chu, Florence Chien-Hwa.
A-6994582, Tung, Pao Chi or Percy Pacchi Tung.
A-5357472, Grosara, Antonio or Nino Crimani.
A-7802711, Lisotto, Vittorio Americo.

With the following committee amendment:

Page 5, strike out line 4.

The committee amendment was agreed to.

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

TOKUKO KOBAYASHI AND HER MINOR SON

The Clerk called the bill (H. R. 1793) for the relief of Tokuko Kobayashi and her minor son.

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

Be it enacted, etc., That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Tokuko Kobayashi, the Japanese fiancée of Ernest C. Fehlhaber, a United States citizen and former member of the Armed Forces of the United States, and her minor son, George William Kobayashi, and the said Tokuko Kobayashi and her minor son shall be eligible for visas as nonimmigrant temporary visitors for a period of three months: *Provided*, That the administrative authorities find that the said Tokuko Kobayashi is coming to the United States with a bona fide intention of being married to the said Ernest C. Fehlhaber and that she is otherwise admissible under the immigration laws. In the event that the marriage between the above-named parties does not occur within 3 months after the entry of the said Tokuko Kobayashi and her minor son, she and her minor son shall be required to depart from the United States, and upon failure to do so shall be deported in accordance with sections 19 and 20 of the Immigration Act of 1917, as amended (U. S. C., title 8, secs. 155 and 156). In the event that the marriage between the above-named parties shall occur within 3 months after the entry of the said Tokuko Kobayashi and her minor son, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Tokuko Kobayashi and her minor son as of the date of the payment by her of the required visa fees and head taxes.

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

INEZ PRYER (SISTER MARY CARMEL)

The Clerk called the bill (H. R. 2860) for the relief of Inez Pryer (Sister Mary Carmel).

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Inez Pryer (Sister Mary Carmel) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

VITO AIUTO

The Clerk called the bill (H. R. 3071) for the relief of Vito Aiuto.

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

Be it enacted, etc., That Vito Aiuto, who lost United States citizenship under the provisions of section 404 of the Nationality Act

of 1940, as amended, may be naturalized by taking, prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 301 of the Nationality Act of 1940, as amended, or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 335 of the said act. From and after naturalization under this act, the said Vito Aiuto shall have the same citizenship status as that which existed immediately prior to its loss.

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

ANGELA TRINIDADE

The Clerk called the bill (H. R. 3134) for the relief of Angela Trinidade.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Angela Trinidade shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax, following which arrangements shall be made for cancellation of the outstanding departure bond. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, lines 7, 8 and 9, change the comma in line 7 to a period and strike out "following which arrangements shall be made for cancellation of the outstanding departure bond."

The committee amendment was agreed to.

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

KAZUKO SHIMAMURA

The Clerk called the bill (H. R. 3140) for the relief of Kazuko Shimamura.

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

Be it enacted, etc., That, notwithstanding the provisions of section 13 (c) of the Immigration Act of 1924, as amended, Kazuko Shimamura, nee Kazuko Katsura, the wife of Akimitsu Shimamura, a United States citizen, may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of the immigration laws.

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

MIHAI HANDRABURA

The Clerk called the bill (H. R. 3377) for the relief of Mihai Handrabura.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, the alien, Mihai Handrabura, 211 Dithridge Street, Pittsburgh 13, Pa., shall be held and considered to have been lawfully admitted at New York, N. Y., on September 27, 1949, to the United States for permanent residence, upon the payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate immigration quota.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That, for the purposes of the immigration and naturalization laws, Mihai Handrabura shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

The committee amendment was agreed to.

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

PETRUS VAN KEER

The Clerk called the bill (H. R. 3389) for the relief of Petrus Van Keer.

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

FRANK A. WEFEL

The Clerk called the bill (H. R. 3896) for the relief of Frank A. Wefel.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Frank A. Wefel shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

ALFREDO MARIO MATTERA

The Clerk called the bill (H. R. 3928) for the relief of Alfredo Mario Mattera.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Alfredo Mario Mattera shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

JACK KAMAL SAMHAT

The Clerk called the bill (H. R. 4385) for the relief of Jack Kamal Samhat.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, the minor child, Jack Kamal Samhat, shall be held and considered the natural-born alien child of Robert Charles Phillips, a citizen of the United States.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That, for the purposes of the immigration and naturalization laws, Jack Kamal Samhat shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

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

AYAKO KIMURA

The Clerk called the bill (H. R. 4630) for the relief of Ayako Kimura.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, and notwithstanding the provisions of section 13 (c) of that act, the minor child Ayako Kimura shall be held and considered to be the natural-born alien child of Capt. and Mrs. Donald F. Pidgeon.

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

CONNIE MARIE SMITH

The Clerk called the bill (H. R. 5321) for the relief of Connie Marie Smith.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, and notwithstanding the provision of section 13 (c) of that act, the minor child, Connie Marie Smith, shall be held and considered to be the natural-born alien child of Sgt. and Mrs. Leroy Smith, citizens of the United States.

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

JOYCE OERLEMANS HAUG

The Clerk called the bill (H. R. 5458) for the relief of Joyce Oerlemans Haug.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, and notwithstanding the provisions of section 13 (c) of that act, the minor child, Joyce Oerlemans Haug, shall be held and considered to be the natural-born alien child of Sgt. John E. Haug, a citizen of the United States.

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

TAMAKI SAKASAI CORDOVA

The Clerk called the bill (H. R. 5499) for the relief of Tamaki Sakasai Cordova.

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

Be it enacted, etc., That, solely for the purpose of section 4 (a) and section 9 of the Immigration Act of 1924, and notwithstanding any provisions excluding from admission to the United States persons of races ineligible to citizenship, Tamaki Sakasai Cordova, a minor Japanese child, shall be considered the alien natural-born child of Sgt. Alfred N. Cordova, citizen of the United States.

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

HIROKO DOKI AND TAKAKO DOKI

The Clerk called the bill (H. R. 5539) for the relief of Hiroko Doki and Takako Doki.

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

Be it enacted, etc., That, in the administration of the immigration laws, section 13 (c) of the Immigration Act of 1924, as amended, shall not apply to Hiroko Doki and Takako Doki, minor daughters of Mrs. Fusano Jacobs (formerly Mrs. Fusano Doki), Japanese wife of Douglas Meleverne Jacobs, a citizen of the United States. For the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, the said Hiroko Doki and Takako Doki shall be held and considered to be the natural-born alien minor children of the said Douglas Meleverne Jacobs.

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

TOKUSABURO IMAMURA GLASSCOCK

The Clerk called the bill (H. R. 5624) for the relief of Tokusaburo Imamura Glasscock.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, and notwithstanding the provisions of section 13 (c) of that act, the minor child, Tokusaburo Imamura Glasscock, shall be held and considered to be the natural-born alien child of Sgt. Robert L. Glasscock, citizen of the United States.

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

ANASTASIA VASILIADU

The Clerk called the bill (H. R. 5918) for the relief of Anastasia Vasiliadu.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, the minor child, Anastasia Vasiliadu, shall be held and considered to be the natural-born alien child of Mr. Vasil Gitsoff, a citizen of the United States.

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

KEIKO TASHIRO

The Clerk called the bill (H. R. 5921) for the relief of Keiko Tashiro.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, the minor child Keiko Tashiro, shall be held and considered to be the natural-born alien child of Juro and Shizuko Yoshioka, citizens of the United States, and as such admissible to the United States as a nonquota immigrant.

With the following committee amendment:

Page 1, line 4, after "amended", strike out down to and including the word "immigrant" on line 8, and insert "and notwithstanding the provisions of section 13 (c) of the said act, the minor child, Keiko Tashiro, shall be held and considered to be the natural-born alien child of Juro and Shizuko Yoshioka, citizens of the United States."

The committee amendment was agreed to.

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

ROBERT MAYOTTE

The Clerk called the bill (H. R. 5934) for the relief of Robert Mayotte.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, the minor child, Robert Mayotte, Jr., shall be held and considered to be the natural-born alien child of Robert Mayotte, a citizen of the United States.

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

YIP SOY NAUM AND YIP KUG YOW

The Clerk called the bill (H. R. 5973) for the relief of Yip Soy Naum and Yip Kug Yow.

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

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the provisions of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, shall be held to be applicable to the aliens, Yip Soy Naum and Yip Kug Yow, children of Yip Yock Som, a citizen of the United States.

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

TSUYOSHI NAGAHAMA

The Clerk called the bill (H. R. 6011) for the relief of Tsuyoshi Nagahama.

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

Be it enacted, etc., That, in the administration of the immigration laws, section 13 (c) of the Immigration Act of 1917, as amended, shall not apply to Tsuyoshi Nagahama, natural-born Japanese minor child of Mrs. Martha Kie Pollock, a citizen of the United States.

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

PAUL GUST WILLIAMS

The Clerk called the bill (H. R. 6070) for the relief of Paul Gust Williams.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, the minor child, Paul Gust Williams (formerly Paavo Luomaranta), shall be held and considered to be the natural-born alien child of Mr. and Mrs. Clarke M. Williams, citizens of the United States.

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

AMALIA ARCHITETTO

The Clerk called the bill (H. R. 6083), for the relief of Amalia Achitetto.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, the minor child, Amalia Architetto, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Vito Architetto, citizens of the United States.

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

JUNKO KUBO

The Clerk called the bill (H. R. 6234) for the relief of Junko Kubo.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, and notwithstanding the provision of section 13 (c) of that

act, the minor child, Junko Kubo, shall be held and considered to be the natural-born alien child of Hugo Schildhauer, a citizen of the United States.

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

KAZUKO SHIRAI

The Clerk called the bill (H. R. 6260) for the relief of Kazuko Shirai.

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

Be it enacted, etc., That, notwithstanding the provisions of section 13 (c) of the Immigration Act of 1924, as amended, Kazuko Shirai, the minor child of Yoshio Shirai, an alien permanently residing in the United States, may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of the immigration laws.

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

JANE LORAINE HINDMAN

The Clerk called the bill (H. R. 6270) for the relief of Jane Loraine Hindman.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, the minor child, Jane Loraine Hindman, shall be held and considered to be the natural-born alien child of Lieutenant and Mrs. Robert E. Hindman, citizens of the United States.

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

FRANCESCA SERVELLO

The Clerk called the bill (H. R. 6355) for the relief of Francesca Servello.

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

Be it enacted, etc., That for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, the minor child, Francesca Servello, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Frank Servello, citizens of the United States.

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

GEORGE RODNEY GILTNER

The Clerk called the bill (H. R. 6415) for the relief of George Rodney Giltner (formerly Joji Wakamiya).

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

Be it enacted, etc., That, in the administration of the immigration laws, section 13 (c) of the Immigration Act of 1924, as amended, shall not apply to George Rodney Giltner (formerly Joji Wakamiya), Japanese minor child in the case of William H. Giltner. For the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, the said George Rodney Giltner (formerly Joji Wakamiya) shall be held and considered to be the natural-born alien child of the said William H. Giltner.

With the following committee amendment:

Page 1, line 6, strike out "case" and insert "care."

The committee amendment was agreed to.

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

RUSSELL WILLIAM KARBACK

The Clerk called the bill (H. R. 6423) for the relief of Russell William Karback.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, the alien Russell William Karbach shall be held and considered to be the natural-born alien minor child of Captain and Mrs. Nelson W. Karbach, Jr., citizens of the United States.

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

YOUNG YUK HO AND YOUNG YUK KUE

The Clerk called the bill (H. R. 6450) for the relief of Young Yuk Ho and Young Yuk Kue (Young Sue Mei).

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

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the provisions of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, shall be held to be applicable to the aliens Young Yuk Ho and Young Yuk Kue (Young Sue Mei), the minor, unmarried children of Young Kim Hong (Ted Young), a citizen of the United States.

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

GAETANA GIAMBRUNO TOMASINO

The Clerk called the bill (H. R. 6637) for the relief of Gaetana Giambruno Tomasino.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and (9) of the Immigration Act of 1924, as amended, the minor child, Gaetana Giambruno Tomasino, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Ignazio Tomasino, citizens of the United States.

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

HITOMI MATSUSHITA

The Clerk called the bill (H. R. 6640) for the relief of Hitomi Matsushita.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, and notwithstanding the provisions of section 13 (c) of that act, the minor child, Hitomi Matsushita, shall be held and considered to be the natural-born alien child of Paul C. Henry, a citizen of the United States.

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

LEU WAI UNG AND LEU WAI CHIU

The Clerk called the bill (H. R. 6641) for the relief of Leu Wai Ung (Wong Wai Ung) and Leu Wai Chiu (Wong Wai Chiu).

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

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the provisions of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, shall be held to be applicable to the aliens Leu Wai Ung (Wong Wai Ung) and Leu Wai Chiu (Wong Wai Chiu), the minor, unmarried children of Leu Hoon Oi, a citizen of the United States.

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

WONG YANG YEE AND WONG SUE CHEE

The Clerk called the bill (H. R. 6869) for the relief of Wong Yang Yee and Wong Sue Chee.

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

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the provisions of section 4 (a) of the Immigration Act of 1924, as amended, pertaining to unmarried children under 21 years of age of a citizen of the United States, shall be held to be applicable to the aliens Wong Yang Yee and Wong Sue Chee, minor children of Eddie Huie, a citizen of the United States.

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

RUTH ANN HOLECEK

The Clerk called the bill (H. R. 7095) for the relief of Ruth Ann Holecek.

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

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, and notwithstanding the provisions of section 13 (c) of that act, the minor child, Ruth Ann Holecek, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Frank G. Holecek, citizens of the United States.

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

MRS. JUAN ANTONIO RIVERA ET AL.

The Clerk called the bill (S. 214) for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria.

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

Be it enacted, etc., That the Secretary of the Treasury be and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Juan Antonio Rivera, of La Paz, Bolivia, widow of Col. Juan Antonio Rivera, the sum of $7,500; to Mrs. Raul Valle Antelo, of La Paz, Bolivia, widow of Maj. Raul Valle Antelo, the sum of $7,500; to Mrs. Jorge Diaz Romero, of La Paz, Bolivia, widow of Maj. Jorge Diaz Romero, the sum of $7,500; to Mrs. Otto Resse, of La Paz, Bolivia, widow of Maj. Otto Resse, the sum of $7,500; and to Mrs. Hugo Soria, of La Paz, Bolivia, widow of Maj. Hugo Soria, the sum of $7,500. Such sums are in full settlement of all claims against the United States on account of the deaths of Col. Juan Antonio Rivera, Maj. Raul Valle Antelo, Maj. Jorge Diaz Romero, Maj. Otto Resse, and Maj. Hugo Soria, who were killed as the result of an accident in which a C–54 transport plane of the United States Air Force crashed in the Pacific Ocean approximately 1 mile off the Peruvian coast near the town of San Juan, Peru, on September 19, 1947: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the payments authorized by this act, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause and substitute the following: "That Mrs. Juan Antonio Rivera, of La Paz, Bolivia, widow of Col. Juan Antonio Rivera; Mrs. Raul Valle Antelo, of La Paz, Bolivia, widow of Maj. Raul Valle Antelo; Mrs. Jorge Diaz Romero, of La Paz, Bolivia, widow of Maj. Jorge Diaz Romero; Mrs. Otto Resse, of La Paz, Bolivia, widow of Maj. Otto Resse; and Mrs. Hugo Soria, of La Paz, Bolivia, widow of Maj. Hugo Soria, are authorized to present their claims against the United States on account of the deaths of Col. Juan Antonio Rivera, Maj. Raul Valle Antelo, Maj. Jorge Diaz Romero, Maj. Otto Resse, and Maj. Hugo Soria, who were killed as the result of an accident in which a C–54 transport plane of the United States Air Force crashed in the Pacific Ocean approximately 1 mile off the Peruvian coast near the town of San Juan, Peru, on September 19, 1947, under the Foreign Claims Act (55 Stat. 880), as amended, and that for the purpose of such claims the deaths shall be considered as having happened in Bolivia: *Provided*, That no part of any settlement in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such settlement, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

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

MILAGROS AUJERO

The Clerk called the bill (H. R. 1913) for the relief of Milagros Aujero.

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

Be it enacted, etc., That, for the purpose of the immigration and naturalization laws, Milagros Aujero shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the the appropriate quota for the first year that such quota is available.

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

JOHANN KOMMA

The Clerk called the bill (H. R. 4634) for the relief of Johann Komma.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Johann Komma shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

MRS. MILDRED G. KATES AND RONALD KATES

The Clerk called the bill (H. R. 4644) for the relief of Mrs. Mildred G. Kates and Ronald Kates.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Mrs. Mildred G. Kates, who was born in the Union of Soviet Socialist Republics, and her minor son, Ronald Kates, who was born in Cuba, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

On page 1, lines 4 and 5, strike out the following language: "who was born in the Union of Soviet Socialist Republics,".

On page 1, line 6, strike out the following language: "who was born in Cuba."

The committee amendments were agreed to.

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

YEE CHIN-YING AND YEE WON-YI

The Clerk called the bill (H. R. 4719) for the relief of Yee Chin-ying and Yee Won-yi.

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

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the provisions of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, shall be held to be applicable to Yee Chin-ying and Yee Won-yi, the minor unmarried Chinese daughters of Chow H. Yee, a citizen of the United States.

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

DONALD JAMES DARMODY

The Clerk called the bill (H. R. 4758) for the relief of Donald James Darmody.

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

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Donald James Darmordy, St. Paul, Minn., the sum of $427.82. The payment of such sum shall be in full settlement of all claims of the said Donald James Darmody against the United States arising out of personal injuries and property damage sustained by him on February 1, 1950, when his car, while legally parked near the intersection of East Seventh Street and Maria Avenue, in St. Paul, was struck by an Army vehicle being operated by an enlisted man of the Army. The Department of the Army, on August 28, 1950, disallowed such claim on the ground that the operator of the Army vehicle was not acting within the scope of his employment at the time of the accident, and the Under Secretary of the Army, on December 8, 1950, sustained such disallowance on the same ground: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

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

JOSEPH MANCHION

The Clerk called the bill (H. R. 4842) for the relief of Joseph Manchion.

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

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $144.07 to Joseph Manchion, of 392 Pacific Avenue, Jersey City, N. J., in full settlement of all claims agains the United States and satisfaction of a judgment rendered in Hudson County Court, No. 107556, entered on October 18, 1949, in favor of Dario A. Bogni, sustained as a result of a collision between a United States mail truck operated by said Joseph Manchion and an automobile operated by the said Dario A. Bogni on July

18, 1948. Such claim is not cognizable under the Federal Tort Claims Act.

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

EMMA GAZZANIGA ET AL.

The Clerk called the bill (H. R. 4866) for the relief of Emma Gazzaniga, Cecelia Trezzi, Clelia Mainetti, Bonosa Colombo, Emma Baldisserotto, Lina Dal-Dosso, Lucia Paganoni, and Regina Pagani.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Emma Gazzaniga, Cecilia Trezzi, Clelia Mainetti, Bonoso Colombo, Emma Baldisserotto, Lina DalDosso, Lucia Paganoni, and Regina Pagani, nuns of the Order of the Missionary Sisters of Verona, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota officer or officers to deduct appropriate numbers from the first available appropriate quota or quotas.

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

MRS. RUTH R. EKHOLM

The Clerk called the bill (H. R. 4890) for the relief of Mrs. Ruth R. Ekholm.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, the alien Mrs. Ruth R. Ekholm shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

ESTATE OF EMIL A. PESHEK

The Clerk called the bill (H. R. 4891) for the relief of the estate of Emil A. Peshek.

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

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,946 to the estate of Emil A. Peshek, deceased, in full settlement of all claims against the United States for medical and funeral expenses and the death of Emil A. Peshek caused by injuries received in an accident involving a United States mail truck in November 1940, in Pittsburgh, Pa.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out the amount and insert "$1,500."

The committee amendment was agreed to.

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

SILAS B. MORRIS

The Clerk called the bill (H. R. 4921) for the relief of Silas B. Morris.

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

Be it enacted, etc., That the Postmaster General is hereby directed to waive the collection of $505.46 from Silas B. Morris, Route 3, Temple, Tex., which is the amount paid him, less taxes, as a substitute rural mail carrier. Mr. Morris is a permanent employee at the Veterans' Administration Hospital, Temple, Tex., and was advised by officials of the Post Office Department that he could act as a substitute rural mail carrier notwithstanding the fact his salary with the Veterans' Administration exceeds $2,000.

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

JAROSLAV, BOZENA, YVONKA, AND JARDA ONDRICEK

The Clerk called the bill (H. R. 5111) for the relief of Jaroslav, Bozena, Yvonka, and Jarda Ondricek.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Jaroslav Ondricek, Bozena Ondricek, Yvonka Ondricek, and Jarda Ondricek shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to make the appropriate quota deductions for the first year that such quotas are available.

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

MRS. PIA BIONDI

The Clerk called the bill (H. R. 5188) for the relief of Mrs. Pia Biondi.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Mrs. Pia Biondi shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

MARTIN A. DEKKING

The Clerk called the bill (H. R. 5442) for the relief of Martin A. Dekking.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Martin A. Dekking shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

PAUL MYUNG HA CHUNG

The Clerk called the bill (H. R. 5570) for the relief of Paul Myung Ha Chung.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Paul Myung Ha Chung, who entered the United States as a student from Seoul, Korea, on August 28, 1947, and is now attending the University of Kentucky and residing at 918 Darely Drive, Lexington, Ky., shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, line 4, strike out "who entered the United States as a student from Seoul, Korea, on August 28, 1947, and is now attending the University of Kentucky and residing at 918 Darely Drive, Lexington, Ky."

The committee amendment was agreed to.

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

CERTAIN EMPLOYEES OF THE ALASKA RAILROAD

The Clerk called the bill (H. R. 5578) for the relief of certain employees of the Alaska Railroad.

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

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the persons enumerated below the sums specified, in full settlement of all claims against the Government of the United States, as reimbursement for personal effects and work tools destroyed as a result of the fire which occurred on January 15, 1951, in the Anchorage Terminal Mechanical Building of the Alaska Railroad: Rollins F. Baker, $46.45; Claire G. Spensley, $132.05; Weston A. Hillman, $401.99; Walter W. Summers, $199.51; Richard C. Catherwood, $380.05; Dolores D. Runner, $2.35; Marcia Zahrobsky, $10.75; Arthur R. Strong, $100; Irwin C. Rasmussen, $50.95; Calvin L. Barr, $50.95; Everett L. Shroll, $37.25; Harry A. Johnson, $38; Eske Eskesen, $41.60; Clinton R. Jenkins, $255.75; Richard D. George, $85.25; Dan A. Kraft, $42.25; Lemuel J. Smith, Jr., $54.25; Charles W. Smith, $94.01; Alvin W. Bratten, $73.50; Cary D. Everhart, $536.60; Phillip Kolganko, $71.90; Billie J. Hubert, $45.70; Floyd R. Baker, $46.75; Fred M. George, $211.20; Botvid L. O. Kallman, $147.92; Lyle F. McDermott, $98; Michael A. Jacobs, $30.70; Fred W. Bender, $238.47; Duane M. Woods, $91.50; Richard L. Moyer, $38.50; Harry R. Rank, $128; Ann G. Rewolinski, $212.20; Joseph Fowler, $30; Guy Williams, $44.50; Charles S. Somers, $13.52; David H. Andrews, $96.50; Eugene W. Johannes, $22.98; Lewis G. Firmin, $52.78; Fred W. Nilsen, $76.40; Andrew E. Dennis, $111.06; Lester P. Corliss, $166; Russel W. Goddard, $176.30; Braham Latch, $96.55; Eugene McBride, $44.35; Estel S. Phelps, $67.32; Albert N. Deary, $108; Neal E. Osgood, $244.60; Joseph Schneider, $97.80; Ralph R. Thomas, $1,071.65; Robert L. Sellers, $53.69; Howard E. Michou, $42.40; C. G. Barnett, $398.85; William H. Miller, $147.18; Harvey M. May, $568.65; William F. Cairns, Jr., $229.20; Daniel M. Leonard, $45.50; Donald C. Barnett, $423.40.

SEC. 2. No part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

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

The title was amended so as to read: "A bill for the relief of Rollins F. Baker and other employees of the Alaska Railroad."

A motion to reconsider was laid on the table.

FRIEDA MARGARETE ECKERT

The Clerk called the bill (H. R. 5961) for the relief of Frieda Margarete Eckert.

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

Be it enacted, etc., That, notwithstanding the provision of the eleventh category of section 3 of the Immigration Act of 1917, as amended, Frieda Margarete Eckert may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of the immigration laws.

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

WILLIAM J. MARTIN

The Clerk called the bill (H. R. 6356) for the relief of William J. Martin.

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

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $146.86 to William J. Martin, of Arlington, Va., in full settlement of all claims against the United States for reimbursement for expenses in shipping household goods from Leland, Miss., to Arlington, Va., while an employee of the United States Department of Agriculture, September 1947: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert "That the Comptroller General of the United States is hereby authorized and directed to cancel the indebtedness of William J. Martin, in the amount of $146.86, arising out of the transportation of his household goods from Leland, Miss., to Arlington, Va., while he was an employee of the United States Department of Agriculture in September 1947."

The committee amendment was agreed to.

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

JACOB ATHIAS ROBLES AND ESTHER DE CASTRO ROBLES

The Clerk called the bill (H. R. 6445) for the relief of Jacob Athias Robles and Esther de Castro Robles.

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

Be it enacted, etc., That section 404 of the Nationality Act of 1940 (54 Stat. 1137, 1170; 8 U. S. C., 1946 ed., sec. 804) shall not be applicable to Jacob Athias Robles and Esther de Castro Robles.

With the following committee amendments:

Page 1, line 3, strike out "404" and substitute "404 (c)."

Page 1, line 4, strike out "804" and substitute "804 (c)."

The committee amendments were agreed to.

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

ILONA LINDELOF

The Clerk called the bill (H. R. 6732) for the relief of the alien Ilona Lindelof.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, the alien Ilona Lindelof, residing temporarily in the United States and in the District of Columbia, shall be considered to have been lawfully admitted to the United States for permanent residence at New York City, N. Y., on January 1, 1950, the date she arrived at that port. Upon enactment of this act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the quota of Czechoslovakia of the first year that such quota numbers are available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That for the purposes of the immigration and naturalization laws, Ilona Lindelof shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

The committee amendment was agreed to.

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

YOSIKO NAKAMURA

The Clerk called the bill (H. R. 6884) for the relief of Yosiko Nakamura.

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

Be it enacted, etc., That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Yosiko Nakamura, the Japanese fiancée of Horace Thompson, a citizen of the United States serving in the Armed Forces of the United States, and that the said Yosiko Nakamura shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided,* That the administrative authorities find the said Yosiko Nakamura is coming to the United States with a bona fide intention of being married to the said Horace Thompson, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of the said Yosiko Nakamura, she shall be required to depart from the United States, and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of 1917, as amended (U. S. C., title 8, secs. 155 and 156). In the event that the marriage between the above-named parties shall occur within 3 months after the entry of the said Yosiko Nakamura, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Yosiko Nakamura as of the date of the pay-

ment by her of the required visa fee and head tax.

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

SAYOKO UCHIDA

The Clerk called the bill (H. R. 6940) for the relief of Sayoko Uchida.

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

Be it enacted, etc., That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Sayoko Uchida, the Japanese fiancée of Sgt. James D. Lombard, a citizen of the United States, and that the said Sayoko Uchida shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided,* That the administrative authorities find that the said Sayoko Uchida is coming to the United States with a bona fide intention of being married to the said Sgt. James D. Lombard and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of the said Sayoko Uchida, she shall be required to depart from the United States, and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of 1917, as amended (U. S. C., title 8, secs. 155 and 156). In the event that the marriage between the above-named parties shall occur within 3 months after the entry of said Sayoko Uchida, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Sayoko Uchida as of the date of the payment by her of the required visa fee and head tax.

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

MASUKO KOSAKA

The Clerk called the bill (H. R. 7052) for the relief of Masuko Kosaka.

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

Be it enacted, etc., That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Masuko Kosaka, the Japanese financée of Raymond V. Prueitt, a citizen of the United States serving in the Armed Forces of the United States, and that the said Masuko Kosaka shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided,* That the administrative authorities find the said Masuko Kosaka is coming to the United States with a bona fide intention of being married to the said Raymond V. Prueitt, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of the said Masuko Kosaka, she shall be required to depart from the United States, and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of 1917, as amended (U. S. C., title 8, secs. 155 and 156). In the event that the marriage between the above-named parties shall occur within 3 months after the entry of the said Masuko Kosaka, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Masuko Kosaka as of the date of the payment by her of the required visa fee and head tax.

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

MRS. MARY CAMPION

The Clerk called the bill (H. R. 7235) for the relief of Mrs. Mary Campion.

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

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (U. S. C., 1940, edition, title 5, secs. 765–770, the Department of Labor (Bureau of Employees' Compensation) is hereby authorized and directed to receive and consider, when filed, the claim of Mrs. Mary Campion, mother of Lucy Campion, deceased, for compensation under such act, within 6 months from the date of enactment of this act, on account of the death of the said Lucy Campion sustained on March 3, 1945, while in the performance of her duties at Indiantown Gap Military Reservation, Pa.; and the Bureau, after such consideration of such claim, shall determine and make findings of fact thereon and make an award for payment of compensation to Mrs. Mary Campion, as mother of Lucy Campion, provided for in such act of September 7, 1916, as amended: *Provided,* That no benefits shall accrue prior to the enactment of this act.

With the following committee amendment:

1. Strike out everything after the enacting clause, and insert in lieu thereof the following: "That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. Thomas J. Campion, of Pottsville, Pa., the sum of $8,280, in full settlement of all claims against the United States arising out of the death of their daughter, Lucy T. Campion, on March 3, 1945, from injuries sustained by her in an accident, involving an Army vehicle, which occurred on the same date on the Indiantown Gap Military Reservation, Pa.; the driver of the said Army vehicle was not acting within the scope of his employment at the time the said accident occurred: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

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

Mr. ASPINALL. Mr. Speaker, I offer an amendment to the title of the bill.

The Clerk read as follows:

Amendment offered by Mr. ASPINALL: Amend the title so as to read: "For the relief of Mr. and Mrs. Thomas J. Campion."

The amendment was agreed to.

A motion to reconsider was laid on the table.

ANDRIANNE LUIS AND JOHN LUIS

The Clerk called the bill (H. R. 7331) for the relief of Andrianne Luis and John Luis.

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

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Andrianne Luis of North Massapequa, N. Y., the sum of $25,000, and to pay to John Luis, of North Massapequa, N. Y., the sum of $5,000, in full settlement of all claims against the United States for personal injuries to Andrianne Luis, and for medical and hospital expenses paid for, and for loss of services to, John Luis, sustained as a result of an accident involving a United States Post Office vehicle, occurring in New York City, N. Y., on October 26, 1943: *Provided,* That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "Luis" and insert "Luiz."

Page 1, line 6, strike out "$25,000" and insert "$1,250."

Page 1, line 7, strike out "Luis" and insert "Luiz."

Page 1, line 8, strike out "$5,000" and insert "$250."

Page 1, line 9, strike out "Luis" and insert "Luiz."

Page 1, line 11, strike out "Luis" and insert "Luiz."

The committee amendments were agreed to.

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

The title was amended so as to read: "A bill for the relief of Andrianne Luiz and John Luiz."

A motion to reconsider was laid on the table.

ERIKA O. EDER

The Clerk called the bill (H. R. 7366) for the relief of Erika O. Eder.

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

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, Erika O. Eder, the fiancée of James D. Van Dyne, a citizen of the United States serving in the United States Armed Forces, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided,* That the administrative authorities find that the said Erika O. Eder is coming to the United States with a bona fide intention of being married to the said James D. Van Dyne, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of the said Erika O. Eder, she shall be required to depart from the United States, and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of 1917, as amended (U. S. C., title 8, secs. 155 and 156). In the event that

the marriage between the above-named parties shall occur with 3 months after the entry of the said Erika O. Eder the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Erika O. Eder as of the date of the payment by her of the required visa fee and head tax.

With the following committee amendments:

On page 1, line 6, after the words "Armed Forces", insert "and her son, James Robert Eder."

On page 1, line 6, after the words "eligible for", strike out the words "a visa" and substitute the word "visas."

On page 1, line 7, after the word "as", strike out the word "a."

On page 1, line 7, after the word "temporary", strike out the word "visitor" and substitute in lieu thereof the word "visitors."

On page 1, line 11, strike out the words "she is" and substitute in lieu thereof the words "they are."

On page 2, line 3, after the name "Erika O. Eder", insert in lieu thereof "and her son, James Robert Eder, they."

On page 2, line 4, strike out the word "she."

On page 2, line 10, after the name "Erika O. Eder", insert "and her son, James Robert Eder."

On page 2, line 11, strike out the word "the" and insert in lieu thereof the word "their."

On page 2, line 12, strike out the words "of the said Erika O. Eder,".

On page 2, line 13, strike out the word "her" and substitute the word "them."

On page 2, line 13, and 14, strike out the words "visa fee and head tax." and substitute in lieu thereof the words "visa fees and head taxes."

The committee amendments were agreed to.

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

The title was amended so as to read: "A bill for the relief of Erika O. Eder and her son, James Robert Eder."

A motion to reconsider was laid on the table.

JOSE LUIS SEGIMONT DE PLANDOLIT AND FUENCISLA SEGIMONT

The Clerk called the bill (H. R. 4590) for the relief of Jose Luis Segimont de Plandolit and Fuencisla Segimont.

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

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Jose Luis Segimont de Plandolit and Fuencisla Segimont shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

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

AI-LING TUNG TSOU AND HER SON, MOODY TSOU

The Clerk called the bill (H. R. 8052) for the relief of Ai-Ling Tung Tsou and her son, Moody Tsou.

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

Be it enacted, etc., That, notwithstanding the provisions of section 2 of the act of December 17, 1943, as amended (8 U. S. C. 212 (a)), Ai-Ling Tung Tsou and her son, Moody Tsou, may be admitted to the United States as preferential quota immigrants in accordance with section 6 (a) (2) of the Immigration Act of 1924, as amended, if they are otherwise admissible to the United States.

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

WILLIAM BIG DAY

The Clerk called the bill (H. R. 5917) authorizing the Secretary of the Interior to issue a patent in fee to William Big Day.

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

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to issue to William Big Day a patent in fee to the following-described land on the Crow Indian Reservation, Mont.: The northwest quarter of the southeast quarter, the northeast quarter of the southwest quarter, and the west half of the southwest quarter, section 4, township 6 south, range 31 east, Montana principal meridian.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That the Secretary of the Interior, upon application in writing, is authorized to sell, under applicable regulations, the homestead land contained in allotment No. 1997 of William Big Day, described as the northwest quarter of the southeast quarter, the northeast quarter of the southwest quarter, and the west half of the southwest quarter, section 4, township 6 south, range 31 east, Montana principal meridian, containing 160 acres."

The committee amendment was agreed to.

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

The title was amended so as to read: "A bill to authorize the sale of land on the Crow Reservation, Mont., allotted to William Big Day."

A motion to reconsider was laid on the table.

JOHN B. CUMMINS

The Clerk called the bill (H. R. 6681) authorizing the issuance of a patent in fee to John B. Cummins.

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

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to John B. Cummins a patent in fee to the following-described lands allotted to him on the Crow Indian Reservation, Mont.: The southeast quarter of section 12, township 6 south, range 36 east; lot 3, the east half of the southwest quarter, and the southeast quarter of section 7, township 6 south, range 37 east; and lots 2 and 3, the northeast quarter, the east half of the northwest quarter, the northeast quarter of the southwest quarter, and the north half of the north half of the southeast quarter of section 18, township 6 south, range 27 east, Montana principal meridian, containing seven hundred ninety-seven and twenty-one one-hundredths acres, more or less.

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

FRANKLIN YARLOTT

The Clerk called the bill (H. R. 7009) authorizing the issuance of a patent fee to Franklin Yarlott.

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

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to Franklin Yarlott a patent in fee to the following-described lands allotted to him on the Crow Indian Reservation, Mont.: The south half of the southeast quarter of section 4, the north half and the north half of the southwest quarter of section 9, township 8 south, range 38 east, Montana principal meridian.

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

VIOLA DELANEY

The Clerk called the bill (H. R. 7301) authorizing the Secretary of the Interior to issue a patent in fee to Viola Delaney.

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

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to Viola Delaney a patent in fee to the following-described lands allotted to her on the Blackfeet Indian Reservation, Mont.: Lot 4 and the southwest quarter of the northwest quarter of section 2, township 36 north, range 11 west, Montana principal meridian, containing eighty-seven and fifty-eight one-hundredths acres.

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

THE CROW INDIAN RESERVATION

The Clerk called the bill (H. R. 7303) authorizing the Secretary of the Interior to issue patents in fee to certain allottees on the Crow Indian Reservation.

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

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to the following-named persons patents in fee to their allotted lands on the Crow Indian Reservation, Mont.:

Reba Yarlott, northeast quarter and the southeast quarter of the northwest quarter of section 7, township 3 south, range 35 east; northwest quarter of section 33, township 7 south, range 38 east; southwest quarter and the south half of the southeast quarter of section 3; lot 8, section 2, and the north half of section 10, township 8 south, range 38 east, Montana principal meridian, containing nine hundred sixty-two and fifty-nine one-hundredth acres.

Florence Mary Yarlott, the northeast quarter of section 32, township 7 south, range 38 east; the northwest quarter of the southwest quarter of section 2, and lots 1, 2, 3, and 4, and the south half of the north half and the north half of the southeast quarter of section 3, township 8 south, range

38 east, containing five hundred eight and eighty one-hundredths acres.

Charles Edward Yarlott, south half of the northeast quarter and the south half of section 33; south half of section 34; south half of section 35, township 7 south, range 38 east, Montana principal meridian, containing one thousand and forty acres.

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

EDWARD CHARLES CLEVERLY

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1114) for the relief of Edward Charles Cleverly, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Line 6, strike out "Cleverly" and insert "Cleverley."

Amend the title so as to read: "An act for the relief of Edward Charles Cleverley."

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

SOCIAL SECURITY ACT AMENDMENTS OF 1952

The SPEAKER. The unfinished business is on suspending the rules and passing the bill (H. R. 7800) to amend title II of the Social Security Act to increase old-age and survivors insurance benefits, to preserve insurance rights of permanently and totally disabled individuals, and to increase the amount of earnings permitted without loss of benefits, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. The question is on suspending the rules and passing the bill.

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

The yeas and nays were ordered.

The question was taken; there were—yeas 361, nays 22, answered "present" 2, not voting 46, as follows:

[Roll No. 106]

YEAS—361

Abbitt	Battle	Bryson
Addonizio	Beall	Buchanan
Allen, Calif.	Beamer	Budge
Allen, Ill.	Belcher	Burnside
Allen, La.	Bender	Buckley
Andersen, H. Carl	Bennett, Fla.	Burton
	Bennett, Mich.	Bush
Anderson, Calif.	Bentsen	Byrnes
Andresen, August H.	Berry	Canfield
	Bishop	Cannon
Andrews	Blatnik	Carrigg
Anfuso	Boggs, Del.	Case
Angell	Boggs, La.	Celler
Arends	Bolling	Chelf
Aspinall	Bolton	Chenoweth
Auchincloss	Bonner	Chiperfield
Ayres	Bosone	Chudoff
Bailey	Bow	Church
Baker	Boykin	Clemente
Bakewell	Bray	Cole, Kans.
Barden	Brooks	Cole, N. Y.
Baring	Brown, Ga.	Colmer
Barrett	Brown, Ohio	Combs
Bates, Mass.	Brownson	Cooley
Cooper	Holmes	Passman
Corbett	Hope	Patten
Cotton	Horan	Patterson
Coudert	Howell	Perkins
Cox	Hull	Philbin
Crosser	Hunter	Poage
Crumpacker	Ikard	Polk
Cunningham	Irving	Potter
Curtis, Mo.	Jackson, Calif.	Poulson
Dague	Jackson, Wash.	Preston
Davis, Tenn.	James	Price
Davis, Wis.	Jarman	Priest
Dawson	Javits	Prouty
Deane	Jensen	Rabaut
DeGraffenried	Johnson	Radwan
Delaney	Jonas	Rains
Dempsey	Jones, Ala.	Ramsay
Denny	Jones, Hamilton C.	Rankin
Denton		Reams
D'Ewart	Jones, Woodrow W.	Reece, Tenn.
Dingell		Reed, Ill.
Dollinger	Judd	Rees, Kans.
Dolliver	Karsten, Mo.	Regan
Dondero	Kean	Rhodes
Donohue	Kearney	Ribicoff
Donovan	Kearns	Riehlman
Dorn	Keating	Riley
Doughton	Kee	Rivers
Doyle	Kelley, Pa.	Roberts
Durham	Kelly, N. Y.	Robeson
Eaton	Kennedy	Rodino
Eberharter	Keogh	Rogers, Colo.
Elliott	Kerr	Rogers, Fla.
Ellsworth	Kersten, Wis.	Rogers, Mass.
Engle	King, Calif.	Rogers, Tex.
Fallon	King, Pa.	Rooney
Feighan	Kirwan	Roosevelt
Fernandez	Klein	Ross
Fine	Kluczynski	Sadlak
Fisher	Lane	St. George
Flood	Lanham	Saylor
Fogarty	Lantaff	Schenck
Forand	Larcade	Scott, Hardie
Ford	Latham	Scott, Hugh D., Jr.
Forrester	LeCompte	
Frazier	Lesinski	Scrivner
Fugate	Lind	Scudder
Fulton	Lovre	Secrest
Furcolo	McCarthy	Seely-Brown
Gamble	McConnell	Shafer
Garmatz	McCormack	Shelley
Gary	McCulloch	Sheppard
Gathings	McDonough	Short
Gavin	McGrath	Sieminski
George	McGregor	Sikes
Golden	McGuire	Simpson, Ill.
Goodwin	McIntire	Sittler
Gordon	McKinnon	Smith, Va.
Gore	McMillan	Smith, Wis.
Graham	McMullen	Spence
Granahan	McVey	Springer
Granger	Machrowicz	Staggers
Grant	Mack, Ill.	Stockman
Green	Mack, Wash.	Talle
Greenwood	Madden	Taylor
Gregory	Magee	Teague
Gross	Mahon	Thomas
Hagen	Mansfield	Thompson, Mich.
Hale	Marshall	
Hall, Edwin Arthur	Martin, Iowa	Tollefson
	Martin, Mass.	Trimble
Hall, Leonard W.	Meader	Vail
	Merrow	Van Pelt
Halleck	Miller, Calif.	Van Zandt
Hand	Miller, Md.	Velde
Harden	Miller, Nebr.	Vinson
Hardy	Miller, N. Y.	Vorys
Harris	Mills	Vursell
Harrison, Nebr.	Mitchell	Walter
Harrison, Va.	Morano	Watts
Harrison, Wyo.	Morgan	Weichel
Hart	Morrison	Wharton
Harvey	Moulder	Wheeler
Havenner	Multer	Whitten
Hays, Ark.	Mumma	Widnall
Hébert	Murdock	Wier
Hedrick	Murphy	Williams, Miss.
Heffernan	Murray	Williams, N. Y.
Heller	Nelson	Willis
Herlong	Nicholson	Wilson, Ind.
Heselton	Norblad	Wilson, Tex.
Hess	Norrell	Winstead
Hill	O'Brien, Ill.	Withrow
Hillings	O'Brien, Mich.	Wolverton
Hinshaw	O'Hara	Wood, Ga.
Hoeven	O'Neill	Wood, Idaho
Hoffman, Ill.	Osmers	Yates
Hoffman, Mich.	Ostertag	Yorty
Holifield	O'Toole	Zablocki

NAYS—22

Adair	Brehm	Curtis, Nebr.
Betts	Buffett	Devereux
Blackney	Clevenger	Elston
Bramblett	Crawford	Jenison
Jenkins	Simpson, Pa.	Thompson, Tex.
Mason	Smith, Kans.	Werdel
Reed, N. Y.	Smith, Miss.	
Sheehan	Taber	

ANSWERED "PRESENT"—2

Busbey Woodruff

NOT VOTING—46

Aandahl	Gwinn	Redden
Abernethy	Hays, Ohio	Richards
Albert	Herter	Sabath
Armstrong	Jones, Mo.	Sasscer
Bates, Ky.	Kilburn	Stanley
Beckworth	Kilday	Steed
Burdick	Lucas	Stigler
Burleson	Lyle	Sutton
Butler	Morris	Tackett
Camp	Morton	Thornberry
Carlyle	O'Brien, N. Y.	Welch
Carnahan	O'Konski	Wickersham
Chatham	Patman	Wigglesworth
Davis, Ga.	Phillips	Wolcott
Evins	Pickett	
Fenton	Powell	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Herter and Mr. Wigglesworth for, with Mr. Woodruff against.

Mr. Fenton and Mr. Butler for, with Mr. Phillips against.

Until further notice:

Mr. Sasscer with Mr. Burdick.
Mr. Bates of Kentucky with Mr. Gwinn.
Mr. Evins with Mr. O'Konski.
Mr. Davis of Georgia with Mr. Wolcott.
Mr. Chatham with Mr. Kilburn.
Mr. Wickersham with Mr. Armstrong.
Mr. Camp with Mr. Aandahl.
Mr. Steed with Mr. Morton.

Mr. WOODRUFF. Mr. Speaker, I have a live pair with the gentleman from Massachusetts, Mr. WIGGLESWORTH, and the gentleman from Massachusetts, Mr. HERTER, who if present would vote "aye." I therefore withdraw my vote of "no" and vote "present."

The result of the vote was announced as above recorded.

Mr. ROSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. ROSS. Mr. Speaker, I voted for the passage of bill, H. R. 7800, to increase old-age and survivors insurance benefits, to preserve insurance rights of permanently and totally disabled individuals, and to increase the amount of earnings permitted without loss of benefits, because I have advocated for a long time liberalizing our social-security system.

This bill provides for an increased payment of approximately $5 and raises the income limit to $70 per month. Even with this pitiful increase, benefits under the social-security system are far from being adequate in providing any measure of security to our aged people; nor does the raising of the income from $50 to $70 make this provision equitable.

Where a person has paid into the system for years, it seems to me most unfair and unreasonable to penalize that person by withholding social-security benefits if they are able to obtain a job which pays them more than $70 per month.

I strongly favor removing entirely this income limitation, or at least raising it to $100.

Also I strongly advocate increasing the payments under the social-security system by an additional 50 percent, or, certainly a minimum of an additional 25 percent. Inflation has raised the cost of living to such a degree that the aged people who have over the years paid their hard-earned dollars into this system, believing that in their retirement they would be provided with some security, are entitled to and deserving of this increase.

I hope when the Senate considers this bill that they will increase the benefits and eliminate the income limitation.

Mr. Speaker, I am unqualifiedly and totally opposed to socialized medicine, and I have been one of the strongest opponents of every attempt by this administration to extend its control over our medical profession; and if I believed that the section pertaining to the preservation of insurance rights of the permanently and totally disabled in any way conferred upon the Federal Security Agency the authority to socialize medicine, I would have voted against this bill.

It is most unfortunate that the committee brought this bill before the House under a suspension of the rules, which forbids the House from offering an amendment spelling out the exact procedure to be followed by the Federal Security Agency in administering this program.

However, I feel certain when the Senate considers the bill, where it will be open for amendment, that they will write into this section specific language directing the Federal Security Agency as to the proper administration of this program.

Mr. Speaker, may I in closing express the hope and the confidence that next year the Congress will conduct an exhaustive study of our entire social security program, with a view to enacting legislation which will provide adequate benefits for our aged.

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. McGREGOR. Mr. Speaker, it is to be regretted that H. R. 7800, which is known as the Social Security Act, is again before us for action under the same rule known as the "gag" rule, which allows no amendments. I think that it is the right of every Member of Congress to be allowed to submit his views in the form of amendments to legislation when it is before us for our consideration. We should not be forced to vote "yes" or "no" on a bill from a committee without having the opportunity to make changes in the legislation.

When H. R. 7800 was before us under a "gag" rule on May 19 I charged then that it contained a clause which would definitely establish socialized medicine. I think it was wise for the Members of this House to return the bill to the committee for changes. I now note that at least many of the paragraphs referring to the procedure of socialized medicine have been stricken. Yet I believe that there are some sections which are questionable and should be debated on the floor, but, under the "gag" rule, we have only 20 minutes on each side to debate and no chance to amend. I concur in the statements made by many Members of this Congress that this bill, H. R. 7800, as now presented to us is much better than when it was considered on May 19. I have contacted several members of the committee and have been assured that sections (a) and (b), on page 28 of the bill, definitely eliminates police, firemen, and elementary and secondary school teachers' retirement programs now in effect from this legislation. In my statement on May 19 I took the position I was definitely opposed to any attempt to put the teachers, police, and firemen, and other retirement systems now in operation in the various States under Federal jurisdiction, and I am happy to say that, in my opinion, H. R. 7800, as now written, and I am assured that this is the fact, this legislation does not jeopardize the retirement systems in effect referred to above.

I am sorry that the benefits incorporated in this bill are not greater than they have set forth, and it is to be regretted that the recipients are not allowed to work to bring revenue for themselves in excess of $70 per month. To me this is a penalty on initiative and thrift. It must be remembered that recipients of this program have contributed their own money and are certainly entitled to its benefits. In my opinion, they should be allowed to work in order to have an income comparable, at least, to living costs.

It is unfair, too, that extensive hearings were not held on this legislation and that we who believe in social security are forced to accede to the dictates of only a majority of the committee of 25, or be faced with the situation of not having any legislation passed at this session of Congress. If this bill is defeated, the social-security recipients will get no increase and not be allowed to work where revenues were in excess of $50 a month.

I am voting for H. R. 7800 today because I definitely feel that it is much better than when it was before us on May 19 and with the hope that the other body—the Senate—will have extensive hearings and bring out a more equitable and just piece of legislation. In these closing days of this Congress it seems we cannot hope for anything better.

TREATMENT OF PERSONS AFFLICTED WITH LEPROSY

Mr. MURDOCK. Mr. Speaker, I call up the conference report on the bill (H. R. 1739) to amend section 331 of the Public Health Service Act, as amended, concerning the care and treatment of persons afflicted with leprosy, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 2144)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1739) to amend section 331 of the Public Health Service Act, as amended, concerning the care and treatment of persons afflicted with leprosy, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows: In lieu of the matter inserted by the Senate insert the following:

"When so provided in appropriations available for any fiscal year for the maintenance of hospitals of the Service, the Surgeon General is authorized and directed to make payments to the Board of Health of the Territory of Hawaii for the care and treatment in its facilities of persons afflicted with leprosy at a per diem rate, determined from time to time by the Surgeon General, which shall, subject to the availability of appropriations, be approximately equal to the per diem operating cost per patient of such facilities, except that such per diem rates shall not be greater than the comparable per diem operating cost per patient at the National Leprosarium, Carville, Louisiana."

And the Senate agree to the same.

MONROE M. REDDEN,
LLOYD M. BENTSEN, Jr.,
FRED L. CRAWFORD,
Managers on the Part of the House.

RUSSELL B. LONG,
GEORGE A. SMATHERS,
ZALES N. ECTON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1739) to amend section 331 of the Public Health Service Act, as amended, concerning the care and treatment of persons afflicted with leprosy, submit the following statement in explanation of the action agreed upon by the conferees and recommended in the accompanying conference report:

As passed by the House, the bill provided that States, Territories, or possessions outside the continental limits of the United States which have facilities for the care of persons afflicted with Hansen's disease (leprosy) and which conform to reasonable standards for patient care may make application to the Surgeon General of the United States Public Health Service and he shall arrange to make payments to the health authority of the State, Territory, or possession, as the case may be, for treatment of those patients "subject to the availability of appropriations."

The Senate struck out all of the House bill after the colon on page 1, line 8, and inserted an amendment in the nature of a substitute. The Senate amendment confined treatment under this bill to persons in Hawaii afflicted with leprosy and provides that payment for the same shall be made "out of funds available for the maintenance of hospitals of the Public Health Service."

The House recedes from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment.

The substitute amendment agreed upon by the conferees is similar to the Senate amendment, confining treatment under this bill to lepers in Hawaii except such treatment shall be available "when so provided in appropriations for any fiscal year for the maintenance of hospitals of the Service."

Thus, under the conference substitute, treatment would be available in Hawaii only when provided for that purpose in appropriations to the United States Public Health Service.

MONROE M. REDDEN,
LLOYD M. BENTSEN, Jr.,
FRED L. CRAWFORD,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

COMMUNICATIONS ACT AMENDMENTS, 1952

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 620 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 658) to further amend the Communications Act of 1934. That after general debate which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-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. COX. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] and at this time I yield myself 5 minutes.

Mr. Speaker, House Resolution 620 provides for the consideration of the House version of the bill S. 658, to amend the Communications Act of 1934, and since there is general recognition of a need for improving the act, I take it that we can assume that the pending resolution will be accepted.

But, Mr. Speaker, I would remind Members that no law, however good it may be, will produce satisfactory results unless it is administered by good and competent men. The Communications Commission has been the subject of great controversy since it was brought into existence. Unfortunately, it has never enjoyed in large measure public confidence and respect.

The powers of the Commission have been on many occasions misused, to the detriment of the public interest and the harrassment of all media of communication. In 1939 Lawrence Fly was promoted to the Chairmanship of the Commission, and it was then that the already bad reputation of the agency began to grow worse, all due to the manner in which he discharged the duties of his office. He was an extreme leftist of long standing and immediately upon his becoming chairman he set out to indoctrinate other members of the commission and its staff with his kind of thinking. During his chairmanship he ran the Communications Commission as if he had been a Russian commissar.

In his appointment the Kremlin was given no reason to believe that its wishes were being ignored, and certainly he gave none for disappointment for he consistantly behaved as would be expected of a good and faithful fellow traveler. Mr. Fly left the Commission and went into private practice with the blessings of the President bestowed upon him; with the remark, in effect, that he was only being let go on loan, that there might come an occasion which would necessitate his being recalled into service.

Mr. Fly was succeded by Paul Porter. I have no criticism to make of Mr. Porter. He was an ultra liberal. After he served as Chairman for a short while he resigned and went to OPA.

Following Mr. Porter I believe Mr. Denny, one of Mr. Fly's men, belonging to the same school of thought, and who had served with the Commission as counsel for a good long time, was promoted to the chairmanship, with Mr. Fly's blessing, and probably at the instance of Mr. Fly. After serving for some time he resigned and went to NBC at $75,000 a year.

Then came Mr. Jett, who had been the Chief Engineer of the Commission for a good long while, and as the Chairman of the Commission he performed admirably. He was and is a good man. He left the Commission and went into private practice, and at the moment I believe is with some Baltimore Sun broadcasting station.

Then came Mr. Wayne Coy. Mr. Coy had been for a good long while a protégé of Mr. Eugene Meyer of the Washington Post. He had served both Mr. Meyer and the Post for some time before he went to the Commission, and after he took the chairmanship he continued to serve them. He is pretty much the same type of man as Mr. Fly. After having been there for some time, he left the Commission, and made arrangements with Time, Inc., to serve as its consultant on radio-TV matters soon to develop with the purchase of KOB–AM–TV, Albuquerque, N. Mex., at a salary of $25,000 per year.

He was able to get the Commission to approve the transfer of title to the station within 30 days while others had been held up for years. He was given the management of the New Mexico station at $26,000 a year, and bought a half interest in the station that cost Time, Inc., $900,000 for $75,000. In other words, he secured two good jobs both paying high salaries and half interest in a station costing nearly a million dollars out of the deal he put across. So he pretty well took care of himself.

Now I mention these matters for the purpose of calling the attention of the House to the fact that the Senate bill, of which the pending amendment is a rewrite, carried a provision to the effect that certain employees of the Commission would not be permitted to practice before the Commission until after 1 year following their severance of connection with the Commission. The House amendment eliminated that provision. In my opinion the provision should be rewritten, that is broadened to include members of the Commission who resign before the expiration of their term, to form these kinds of connections, and put back in the bill.

There has been pretty much of a racket going on in the Commission for a good, long while, that is, a racket in the sense that members of the Commission have resigned and accepted employment with broadcasters, most of whom had been having trouble with the Commission, and the next day they were practicing before the Commission of which they had been members. I believe that provision of the Senate bill should be rewritten and incorporated in the pending measure.

Let me make this observation; there has been little free radio in this country since 1939. There was none during the service of Mr. Fly. Through abuse of power, through intimidation and other hostile attitudes, he brought about a state of terrorism. The broadcasters were bullied and had to concede to the Commission the right to control the type of broadcasting they did. Broadcasters had to submit to the demands of the Commission, no matter how outrageous they might have been, or else incur the hazard of the loss of their property.

The Commission, however, has, I am convinced, been gradually improving. Members of the Commission who are there now that served with Mr. Fly, and who acceded to his demands, were to some extent under the necessity of finding security, they conformed in order to keep their jobs, but with him gone and with those threats removed, I am convinced that they take a better view of matters falling within the jurisdiction of the Commission than has heretofore been the case.

Paul Walker, who has served on the Commission since it was put together, is now the Chairman. I never thought that he was a man of any extraordinary ability or any great power. He was, I know, intimidated into doing whatever Mr. Fly said do while Fly was there. However, I believe he is a very much better man than circumstances have indicated, and with the new Commissioner, Mr. Bartley, that has gone there recently, the same type of man as our Republican friend, Bob Jones, whose appointment put character into the Commission, that working together the bad mess that has prevailed there for a good long while will be soon cleaned up. The staff of the Commission has been bad. It is bad. I am told that the process of washing it out is very rapidly going forward. Mr. Speaker, if I have said anything, which I think could be of value, it is the suggestion which I have offered that there be written into the bill a prohibition against Commissioners resigning to take employment in broadcasting. There is no objection to Commissioners practicing before the Commission, after

their terms normally expire, but for those who resign to take jobs with broadcasters there should be a prohibition against their practicing before the Commission for 1 year after resigning. The committee sponsoring this bill has given a great deal of time and study to all of the problems involved, as is perfectly evident. They have filed a magnificent report, and I believe they have come forward with a meritorious proposal—one that is reasonable and one that is fair and one which promises free radio and the enjoyment of the freedoms which broadcasters and other people engaged in the different media of communication work have been denied.

Mr. Speaker, I wish to emphasize the importance of adopting the pending amendments to the existing law, and at the same time make the observation that what this great Committee on Interstate and Foreign Commerce proposes serves present needs.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such times as I may require.

Mr. Speaker, the gentleman from Georgia [Mr. Cox] has not only explained this rule, but he has explained the bill in a way which, I think, has made clear to the Members of the House the purposes of this measure and the reasons for it. Perhaps there is no Member of the House who has not served on the Committee on Interstate and Foreign Commerce, or on the Subcommittee on Communications of the Committee on Interstate and Foreign Commerce, who has the knowledge and detailed information as to our radio laws, and the operation of the Federal Communications Commission, its rulings and regulations, as has the gentleman from Georgia [Mr. Cox]. He has long made a study of the Federal Communications Act and of the activities and the rulings of the Federal Communications Commission. He served with great distinction on a special committee of the House, which at one time investigated the Commission.

Mr. Speaker, I would like to join with the gentleman from Georgia, if I may, in complimenting the membership of the Committee on Interstate and Foreign Commerce for the exceptionally splendid work they have done in rewriting S. 658, and in bringing before the House this legislation which is long overdue—legislation which, I believe, will spell out in statutory law not only the rights of those engaged in radio and television, but also the duties and responsibilities of the Federal Communications Commission, and to give direction to congressional intent as far as that great industry and the Commission are concerned. Certainly both radio and television have become a part of our daily life. Every person in America is, or shoud be, vitally interested in free radio and free television. When I use the word "free," I mean a free radio and television service that is not dominated, or dictated to, or controlled by, any bureaucratic agency of Government, but is regulated only in the interest of the public to guarantee a free flow of information and that will be impartial and fair in the use of the air waves of this Nation for the benefit of all the people.

As the gentleman from Georgia [Mr. Cox] has so well pointed out,, and, as I believe my old colleagues on the Committee on Interstate and Foreign Commerce will testify, there has been in the past a great deal of misuse of power, may I say, by those who have temporarily served on the Federal Communications Commission. So it is only right and proper that the Congress write into this new code or law the intent of Congress, and include therein provisions which experience dictate are necessary to protect free radio and free television in America, and to see to it that the communications act is administered fairly and impartially.

There are a great many provisions written into this law that have been needed in the past. I am specifially interested in one particular section of the bill that I would like to mention, because I have heard some rumors within the last 2 or 3 days which give me some cause for alarm. I would like to refer, if I may, to paragraph (d) on page 46, beginning on line 6, which provides that—

> The Commission shall not make or promulgate any rule or regulation, of substance or procedure, the purpose or result of which is to effect a discrimination between persons based upon interest in, association with, or ownership of any medium primarily engaged in the gathering and dissemination of information and no application for a construction permit or station license, or for the renewal, modification, or transfer of such a permit or license, shall be denied by the Commission solely because of any such interest, association, or ownership.

I believe the great Committee on Interstate and Foreign Commerce acted wisely in writing this section into the bill in order to make certain that in the future some individual who temporarily rises to power in the Federal Communications Commission shall not attempt to do that which has been done in the past under the administration of Chairman Fly, if I may be explicit, when it was suddenly decided, without any logic, right, or reason, that if anyone should be interested in ownership of a newspaper, if anyone should be a publisher, that he was unfit to engage in radio; that he should not be permitted to operate a radio station, or to have any ownership in a radio station; that he could not be trusted—perhaps that was the idea—with a license for a radio. I want to say first of all, if I may, Mr. Speaker, that while I am a newspaper publisher, I have no interest in radio of any kind; I own no radio station, no stock in any radio or television station; I never expect to own any radio or television station or to have any interest in any corporation or partnership owning one. So with no self interest involved, I say to you that if the Federal Communications Commission, through an arbitrary ruling, can say an American citizen who happens to have an interest in a newspaper or magazine, or who is engaged in the publishing business, shall be considered unfit to receive a radio or television license, then just as easily the Commission might rule that if a man has red hair he shall be considered unfit to own a radio station or to engage in television; or the Commission can say, if you please, that if a man belongs to the Methodist Church or the Catholic Church he shall be barred from radio and television.

There should be just one test, Mr. Speaker, for every individual who applies for a license for a radio or television station, or to engage in that industry, and that is the kind of service he can and will render to the people of America; whether or not he will keep faith and abide by the laws and regulations of this Commission properly; whether or not he will give the adequate service that we have a right to expect of those to whom we grant more or less of a Government monopoly of the air.

I am hoping that this particular section, which prohibits discrimination by the Commission in the granting of radio and television licenses, will be kept in this bill, because if it is stricken out, by the very act of striking it out through amendment, this House will be placing its stamp of approval upon the idea at least that the Federal Communications Commission has the right to discriminate. I contend that it does not have the right to discriminate and should not be permitted to discriminate, and that this committee acted wisely and well when it wrote into the law a prohibition against any such discrimination. I shall oppose any such amendment to strike out this provision of the bill, and I hope the gentleman from Georgia will support me.

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

Mr. BROWN of Ohio. I yield.

Mr. COX. The gentleman will recall that the hostile position of the Commission toward newspaper broadcasting was taken during the chairmanship of Mr. Fly.

Mr. BROWN of Ohio. Yes; as I mentioned a moment ago.

Mr. COX. With his leaving, the Commission abandoned, as I recollect, completely that position; and since then there has been no kind of discrimination against the newspapers acquiring facilities or engaging in broadcasting activities.

Mr. BROWN of Ohio. The same individuals engaged in newspaper publishing.

Mr. COX. Yes.

Mr. BROWN of Ohio. But I hope the gentleman from Georgia will agree with me that such a situation existed, and that we did have a commission dominated by an individual who did discriminate. That is a situation which should not be tolerated.

Mr. COX. Yes; I agree with the gentleman.

Mr. BROWN of Ohio. And that this committee has acted fairly in writing this prohibition into the bill so that such a situation cannot arise again in the future.

Mr. COX. I agree with the gentleman.

Mr. BROWN of Ohio. Certainly those engaged in publishing in this country have the right to be served on the same basis as any other citizen.

Mr. COX. The gentleman is, of course, right.

Mr. BROWN of Ohio. I hope my colleague will support me.

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

Mr. BROWN of Ohio. I yield.

Mr. BENDER. Would the gentleman care to comment on this being an unnecessary discrimination?

Mr. BROWN of Ohio. I think I know to what the gentleman refers. This is not an unnecessary discrimination, but it is a very necessary provision in this law, for, in my opinion, it will protect not only the publishers but other citizens of America against discrimination by some bureaucrat who may for a few short months or years be in a position of power.

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

Mr. BROWN of Ohio. I yield to my colleague from Oregon.

Mr. ELLSWORTH. I agree entirely with what the gentleman is saying with reference to the value of the section of the bill on page 46 which definitely provides that the commission shall not make any rule or regulation which prevents newspaper publishers or any other publishers from owning radio stations. I think it is pertinent to point out to the gentleman and to the House that when the Commission was previously discriminating against publishers and newspaper owners, it never at any time actually issued an order which prevented an application being granted to a newspaper publisher. All it did was simply refuse to act on such applications.

Mr. BROWN of Ohio. Because their position could not be sustained in a court of law, they took the other method of just simply sitting on the applications and never granting the licenses. In hearing after hearing they would not face the issue so that you could get the case in court and get a decision.

Mr. ELLSWORTH. I want to call the attention of the gentleman to subsection (g), on page 42, which provides that the Commission must act within a reasonable time; in fact it sets out in that subsection that under certain circumstances the Commission shall act within 3 months, and under other circumstances within a 6 months period, and should an application be not granted in the 3- or 6-month period, a report shall be made to the Congress as to why action has not been taken.

Mr. BROWN of Ohio. I think that is a very good section.

Mr. ELLSWORTH. In my opinion, that section is as important as the one mentioned by the gentleman.

Mr. BROWN of Ohio. Oh, yes.

Mr. ELLSWORTH. We should also watch in the course of reading the bill for amendment to be sure that the other section on page 42 is not made ineffective. I may say to the gentleman that subsection (g), page 42, should be made a little stronger. Rather than to say it is the objective of the law to accomplish this thing, it should be made the law.

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

Mr. BROWN of Ohio. I yield to the gentleman from Iowa.

Mr. GROSS. With reference to subsection (g), does not the gentleman think this Commission could meet more than once a month?

Mr. BROWN of Ohio. I think they might be able to get together once in a while in the cooler seasons of the year.

Mr. GROSS. I do not think twice a month would be too much.

Mr. BROWN of Ohio. I want to point out in conclusion that the committee has done a splendid piece of work, and is to be complimented on this legislation. From my past experience on the Interstate and Foreign Commerce Committee I know something about the difficulties encountered in attempting to draft legislation like this.

I have brought out in my talk the special sections referred to simply because of the strong feeling I have that the committee has acted properly and because I have heard that some attempt might be made to take away or to strike out this particular section or provision of the bill. I want to say that if we permit discrimination in the granting of radio licenses in one field, there is no reason why we may not soon reach a situation where others will be discriminated against, and the whole intent and purposes of the Congress in connection with the issuance of radio licenses and television licenses on a fair and impartial basis will be destroyed.

I hope this rule will be adopted and that the bill will be passed by the House without any crippling amendments.

Mr. COX. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore [Mr. MILLS]. The question is on the resolution.

The resolution was agreed to.

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 658) to further amend the Communications Act of 1934.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 658, with Mr. BONNER in the chair.

The Clerk read the title of the bill.

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

Mr. HARRIS. Mr. Chairman, I yield myself 40 minutes.

Mr. Chairman, the Committee on Interstate and Foreign Commerce brings to you today amendments to the Communications Act of 1934.

I should like to say, Mr. Chairman, for myself and my colleagues on the Committee, that we appreciate the compliments that have been extended to us by Members of the great Committee on Rules for our efforts to bring to the House desirable and necessary amendments to the Federal Communications Act. We recognize this to be a very difficult and complicated problem. This is a highly technical question in that it is so far reaching, and because it affects practically every home in the United States I shall endeavor to explain to the Committee just what we have tried to do.

Mr. Chairman, the field of communications throughout the history of mankind has been a necessary adjunct to the life and welfare of all people. Communication was as important and necessary in the dark and middle ages as it is today. Life depends on some form of communication.

In more recent years the types and forms of communication have added tremendously to the progress of the world. Since the advent of electricity given to us in a form or manner that could be used by that grand old American with great ingenuity, one of our forefathers and outstanding statesman, Benjamin Franklin, we have seen rapid development in this field, which has made possible the progress we have achieved in so many other ways. Navigation and most all forms of transportation, free speech, expression, and so many phases of our vast activities are all dependent on communication. Our national defense, our security, are as dependent upon communication today as mortar fire or bomb.

LEGISLATIVE HISTORY OF COMMUNICATIONS IN UNITED STATES

The history of communications by wire and radio which today includes television in the United States is most interesting indeed. This bill, amending the Communications Act, is another step in our progress. It is to keep step with the times in the rapid advancement of the radio and television industry. It is for the protection of almost every home in America because today you will find either radio or television or both in practically all of the homes of our great country.

It was not until 1912, I believe, that legislation was necessary affecting this form of communication. The Congress provided the first radio act at that time. There was not much radio at that time but being in its infancy some action apparently became necessary. Authority was given to the Secretary of Commerce, but it was not of a regulatory character.

The next legislation on the subject was in 1927. This action resulted after several years of study and consideration and made necessary by the advent of commercial broadcasting. The Radio Act of 1927 established a temporary Federal Radio Commission. It broadened the authority of the Secretary of Commerce. There were a few minor amendments the following two or three years.

In the early thirties, it became apparent that the field of radio was to develop as a service to the American people. The industry was destined to advance and grow and to become a vital segment of each community. To meet this marvelous expansion, the Congress passed the Communications Act of 1934, that gave this country the basis on which radio and television were to develop under orderly processes.

It was apparent that due to the technicalities necessarily involved in communications that division between radio on the one hand and the wireless, such as telephone and telegraph, on the other was not being promoted in the public interest. In 1933 President Roosevelt requested a study of the problem. A recommendation was made for the establishment of a Federal Communications

Commission vested with the authority which had been formerly given to the Federal Radio Commission or Secretary of Commerce and the Interstate Commerce Commission.

Our beloved Speaker was the chairman of our great Committee on Interstate and Foreign Commerce which reported the 1934 act. This was the first act establishing a commission with complete regulatory authority over this industry, providing standards for this industry to come into your home and mine.

There have been very few amendments to the Communications Act of 1934 and those relatively minor. This clearly indicates and is positive proof of the magnificent job performed by the Speaker and his committee. I might say, Mr. Chairman, the country owes a debt of gratitude to Speaker RAYBURN for the marvelous leadership in giving us not only the Communications Act of 1934 but many other important acts affecting the welfare of our people.

With the rapid advancement we have made in the last 18 years, it is only to be expected that some changes be made in this program as with almost all programs. The amendments that we bring to you today do not change the basic pattern of the original act of 1934. It does provide for some very striking changes to meet the problems of today which were not present nor could likely be foreseen 20 years ago. As has been the experience in previous legislative amendments on this subject, this bill, S. 658, has a long legislative history. It is, in fact, the result of more than a decade of congressional investigations, studies, hearings, and reports by committees in both Houses of Congress. Some of the provisions of the bill we bring to you today were recognized as necessary as far back as the Seventy-seventh Congress, in a proposal known as the Sanders bill; then there was a White-Wheeler proposal in the Seventy-eighth Congress on which hearings were held by Senate Interstate and Foreign Commerce Committee in 1943. Again, there were amendments proposed in various bills, including the White-Wolverton bills in 1947. During the Eighty-first Congress the Senate committee held hearings on and reported a bill which subsequently passed that body. Hearings were held by our House committee on the bill but it was not reported.

This bill we have before us, S. 658, is sponsored by the eminent majority leader of the United States Senate, Senator MCFARLAND. It is to a large extent the same as S. 1973 just referred to which passed the Senate in the Eighty-first Congress. Extensive hearings on this proposal were held by our Committee on Interstate and Foreign Commerce last year, 1951.

We received lengthy testimony from the Federal Communications Commission. The Commission was unanimous with respect to some of the provisions but divided as to others. The Commission opposed many of the provisions contained in the bill as was before us at that time.

We heard testimony from representatives of the broadcasting industry. It is interesting that some of the representatives of the industry as well as the Commission oppose certain provisions in the bill as was brought to us which while largely procedural in nature, they thought could or might effect basic changes in policy with respect to radio and television broadcasting and related matters.

We had representatives of the Federal Bar, and many others in and out of Government in an effort to make a complete record and do the best possible job with a very involved and highly technical problem.

It is interesting to note that following the hearings our committee held 23 days of executive session in consideration of this measure. We have earnestly endeavored to resolve the conflicts with which we were confronted as a result of the differing views presented during the hearings to us. We recognized that the provisions we have here are largely of a technical and helpful nature and although what we have done in reporting this bill has not resolved these differences and is not satisfactory to all viewpoints, we have resolved it in a manner and made every effort to bring to this Congress legislation, some of which recognized by most everyone as being necessary and to fit these amendments into existing law, so as to achieve a consistent and workable statutory pattern.

As already stated, there have been very few minor changes in the Communications Act since its passage in the Congress in 1934.

In the meantime, it is well recognized that tremendous changes have taken place in the broadcast media. The number of licensees has skyrocketed. New applications of the electronic arts have made possible the introduction of completely new techniques of presenting information and entertainment to the public at large.

Furthermore, television has been launched as a major industry with potentials of public service and economic ramifications beyond comprehension. During this development, the Federal Communications Commission and the act under which it regulates the communications industries of the country have been beset with ever-increasing administrative and judicial challenges arising out of the nature of the business so regulated and the interests of the parties seeking expeditious and fair treatment at the hands of the Government. Therefore, in reporting this amendment to the Communications Act, our committee concurs with the position taken by the Senate, the Federal Communications Commission, and the industry that the time for adjustment of pressing needs is at hand.

PURPOSE OF THIS LEGISLATION

The principal objective of this bill is to clarify the meaning and intent of the Communications Act. It is designed to remove ambiguities; to make definite certain administrative and legal steps, as well as procedures in the interest of expeditious handling of both license applications and law-making functions; to separate as far as administratively possible, the prosecutory and judicial functions of the Commission; to provide for administrative reorganization of the Commission in the interest of more effective and speedy handling of the cases; to better arm Commissioners to handle decisions by providing personal legal assistants; and, generally, to make clear and definite administrative actions and appellate procedures in accordance with the Administrative Procedure Act.

It is believed and we are strongly of the opinion that this amendment to the Communications Act would be a major step forward in the evolution of the regulation of radio and wire communications in both the field of broadcasting and common carrier. This legislation should be of inestimable value toward providing greater certainty that regulation of the industry should be in the public interest, convenience, and necessity.

This bill as we have reported proposes a substantial number of changes in the present Communications Act relating to a large variety of matters. There is much detailed information available on the provisions of this bill and, therefore, I shall undertake to explain what I believe the major items and the reasons for the committee's position in proposing them.

In the first place, after the committee had carefully considered the bill as passed the Senate and made so many changes, it was thought best to strike out the provisions of the Senate bill and report the committee's version in one amendment to the House.

Therefore, you will see by observing the bill that we struck out all of the language as presented to us and bring to you a clean bill in the form of an amendment.

TO IMPROVE ORGANIZATIONAL SET-UP AND ADMINISTRATIVE FUNCTIONING FEDERAL COMMUNICATIONS COMMISSION AND STAFF

First, with respect to the internal organization of the Federal Communications Commission, the bill establishes by law a requirement that the Commission organize its staff into integrated bureaus to function on the basis of the Commission's principal workload operations. At the same time the Commission is to establish such other divisional organizations as it may deem necessary to handle that part of its workload which cuts across more than one integrated bureau. It is well to note in this connection that during the time this bill has been under consideration, the Commission has undertaken a functional reorganization substantially similar to that required in this bill.

Additionally, an important new provision calls for the establishment of a staff of employees to be known as the "review staff" consisting of such legal, engineering, accounting, and other personnel as the Commission deems necessary. This review staff shall be directly responsible to the Commission and shall not be made a part of any bureau or division. It is further provided that the review staff shall perform no duties or functions other than to assist the Commission, in cases of adjudication which have been designated for hearing, by preparing, without recommendations, a summary of the evidence presented at any such hearing; by preparing without recommendations, after an initial deci-

sion but prior to oral argument, a compilation of the facts material to the exceptions and replies thereto filed by the parties; and by preparing for the Commission or any member or members, without recommendation and in accordance with specific directions from the Commission or its members, opinions, decisions, memoranda, and orders.

The committee earnestly recommends this new procedural set-up to the House, recognizing that in so-called adjudication or quasi-judicial proceedings it is desirable for the Commission to have competent technical assistants, but, at the same time, that it is appropriate to circumscribe the extent to which, and the manner in which, employees of the Commission may participate with the members of the Commission in the making of decisions which it is the responsibility of the Commissioners to make on the basis of the record made in public hearings.

It has been a long-standing complaint of the Federal Communications bar that in the all important so-called contested cases in which the Commission is supposed to act in a quasi-judicial capacity the Commission actually does not function like a court. It is argued that the Commission has complicated factual questions to decide in these cases and that, therefore, it must rely heavily on the unrestricted advice of its staff experts. However, the Committee on Interstate and Foreign Commerce felt that the courts have to determine exceedingly difficult questions of fact in patent cases, rate cases, and antitrust cases, for example. In those cases courts do reach their decisions without resort to expert advice in camera. All expert advice available to the courts is rendered in open court in the form of expert testimony. The Commission, however, permits its experts in case of conflicting technical testimony to "evaluate" behind closed doors evidence given by other experts in open hearings.

The Commission in a forceful letter addressed to the Speaker has renewed the contention made before the Interstate and Foreign Commerce Committee that this "evaluation" is necessary to the Commission's expeditious functioning. The committee, however, felt that such "evaluation" of conflicting technical testimony is tantamount to a delegation of the Commission's decision-making function to staff experts.

In its letter to the Speaker, which I just mentioned, the Commission warns that adoption of the sections of the amendment which I have just discussed would result in serious disruption of the Commission's processes and in substantial and unnecessary delays in deciding hearing cases.

The committee gave careful consideration to the Commission's contention. It felt, however, that a delegation of the decision-making power to the staff is completely out of line with the kind of procedure which fairness and equity require to be followed.

NEW PREHEARING AND PROTEST PROCEDURE

The committee amendment, just like the bill passed by the Senate, contains provisions for a new prehearing and a new protest procedure. Let me explain, briefly, the purpose of these provisions.

It means a great deal to an applicant whether the Commission grants his application for a new station or for the renewal of a station license or for a transfer of such station license without a hearing or whether a hearing is required. Months, if not years, may pass before the Commission can set a case down for hearing. Therefore, it is provided that in case the Commission feels that it cannot grant an application without a hearing, it must notify the applicant and must give the reasons why the Commission cannot grant the license or the renewal of the transfer without a hearing. The applicant then is afforded an opportunity to reply in writing and the Commission must consider the applicant's reply before it may set down the application for hearing. It is hoped that this provision in many instances will save the time of the applicant and of the Commission and will make unnecessary in many cases the holding of hearings by the Commission.

The protest procedure relates to cases in which an application has been granted without a hearing. In those instances, parties in interest may submit to the Commission a statement of facts why the license in question should not have been granted, and the Commission, after consideration of such statement, must set down the license for hearing if the facts stated by the protesting parties warrant a hearing. With respect to these two new procedures, the Commission has expressed severe criticism in its letter to the Speaker.

In the case of the prehearing procedure, the Commission is fearful that it will result in double processing of all applications. The protest procedure, on the other hand, the Commission feels, may require a large number of unnecessary additional hearings. The Commission warns that this would impose on it an unnecessary additional procedural workload which is certain to delay all grants of radio and television applications and increase substantially the Commission's budgetary requirements.

The Committee on Interstate and Foreign Commerce has carefully considered the Commission's objections. The Committee feels, however, that in many instances the prehearing procedure provided for in the Senate bill and in the committee amendment will render unnecessary Commission hearings, and there will be infrequent occasions only in which the protest procedure will require an additional hearing.

REPORT TO CONGRESS ON DELAYS

Members of this body are familiar with efforts on the part of applicants for licenses before the Commission to discover reasons for delay and seeming inactivity in the processing procedures. This bill contains a provision requiring the Commission to report to the Congress the reasons for delay on all original applications, renewals, and transfer cases in which it is not necessary to hold a hearing, going beyond a 3-month period, and with respect to the disposition of all cases requiring a hearing the reasons for Commission deliberations going beyond a 6-month limit. The causes of delay shall thus be made a matter of public record.

RENEWAL OF LICENSES

S. 658 amends the Communications Act of 1934 with regard to the manner in which license renewals shall be handled. Presently, the Commission is under statutory obligation to substantially duplicate original processing procedures with all renewals. This is necessitated by the section of the Communications Act which provides that Commission action on renewal applications is "limited to and governed by the same considerations and practice which affect the granting of original applications." The bill would change this to authorize the Commission to renew licenses for a 3-year period "if the Commission finds that public interest, convenience, and necessity would be served thereby." The bill also provides that the Commission shall not require any applicant for renewal to file information which has previously been furnished to the Commission or which is not directly material to the considerations that affect the grant or denial of his application. The enactment of this provision would greatly relieve the administrative load of the Commission and would be of substantial benefit to the licensees in simplifying their periodic license renewals by avoiding costly and tedious duplication of previously submitted records.

COMPENSATION FOR UNSUCCESSFUL RENEWAL APPLICANT

We have also inserted a provision in the bill that if the Commission grants the facilities to a new applicant rather than to the applicant for renewal and if the renewal applicant has been operating substantially in accordance with the license and the rules and regulations of the Commission and so requests, the grant of the station license to the newcomer shall be conditioned upon the purchase by the latter of the physical plant and equipment of the renewal applicant at a price equal to the fair value of such plant and equipment, as determined by the Commission. I want to say candidly that many members of the Interstate and Foreign Commerce Committee, including myself, have a serious question with respect to the desirability of this provision. On the one hand, it should be admitted that the granting of facilities to a new applicant rather than to the applicant for renewal might work a great financial hardship on the applicant for renewal. On the other hand, the provision appears to recognize some sort of a right of the applicant for renewal in the wavelength for which he was granted a limited franchise. Other provisions of the act specifically provide that the grant of a license shall not be considered as giving the incumbent any rights to the frequency in question. Furthermore, it appears to be doubtful whether the Commission is in a position to determine what constitutes a fair value of the plant and equipment of the unsuccessful renewal applicant. Finally, even if the Commission was able to determine the fair value of such plant and equipment, it is dubious whether payment of this value is adequate in many instances and is justified in others.

NEWSPAPER AMENDMENT

A new subsection has been added by the committee which provides that the

Commission shall not make any rule or regulation which would effect a discrimination between persons based upon interest in, association with, or ownership of any medium primarily engaged in the gathering and dissemination of information, including newspapers. It is also provided that no application for a construction permit or a station license, or for the renewal, modification, or transfer of such a permit or license shall be denied by the Commission solely because of any such interest, association, or ownership. This amendment, which has been referred to as the newspaper amendment has occasioned considerable discussion in our committee. In adopting this amendment, the committee was influenced by the history of the Commission's policy with respect to the granting of broadcast licenses to newspapers, and by the legislative history of prior legislative proposals designed to deal with the same problem.

A predecessor bill to S. 658 contained a provision to the effect that the Commission may not adopt any rule which would result in a discrimination between persons based upon race, religious, or political affiliation or kind of lawful occupation or business association. This provision was dropped from the bill and the Senate committee report stated that the section had been dropped because the Commission practice and procedure had been in accord with that which had been intended by the language of this section.

While the Commission has never again attempted to adopt a rule disqualifying or discriminating against newspapers, there have been from time to time statements made in Commission decisions which indicate that the Commission considers newspaper applicants for radio or television licenses especial problem children. Different Commissioners have stated the Commission's policy in different terms. However, it appears that newspaper applicants somehow enter the field with some strikes against them. It was the sole purpose of the amendment inserted by the House committee to make sure that newspaper applicants will be treated on a par with other applicants for radio and television licensees, and that the Commission does not follow any arbitrary policy which discriminates against those who are engaged in the gathering and dissemination of information.

INTERVENTION

The present law contains no provision for intervention in proceedings before the Commission by parties who may have an interest in such proceedings. While the Commission has issued some regulations providing for such intervention under certain circumstances, we have felt it advisable to make specific provision in the law for intervention by parties in interest.

TRANSFERS

With respect to the transferring of licenses and construction permits, in applying the test of public interest, convenience and necessity, the Commission under this bill must do so as though the proposed transferee or assignee were applying for the construction permit or station license and as though no other person were interested in securing such permit or license. Under present law, the Commission, in passing on a transfer, takes into account the qualifications of or operation of the facilities by the transferor and at one time it was its practice to consider the relative merits of the proposed transferee and anyone else who indicated a desire to obtain the facilities.

NEW SANCTIONS AS AID TO ENFORCEMENT

Under present law, the Commission, confronted with violation of its rules and regulations, the act, or a treaty, has available to it the sole recourse of revocation of license which is, in effect, the death penalty for station licensees. This leaves the Commission with no choice in case of minor violations other than to overlook the violations or undertake the drastic action of revocation of license. This bill S. 658 makes possible the use of other remedial devices in the form of license suspension for a period of not to exceed 90 days, the issuance of cease and desist orders, and the imposition of penalties in the nature of fines. It is believed that this will greatly aid the administration of the Commission and result in more equitable disposition of the violations charged against licensees.

JUDICIAL REVIEW

Section 402 of the Communications Act relating to judicial review of the decisions and orders of the Commission has been rewritten in S. 658. The amendments bring this section into harmony with Public Law 901 of the Eighty-first Congress, which resulted from the recommendations of the judicial conference. A clear line of appeal for all cases arising out of Commission actions, together with a description of the types of appeals that may be taken are set forth. Experience in the past has indicated the necessity for clarifying existing law in this respect.

QUASI-JUDICIAL PROCEEDINGS

A most vital new provision of this bill relates to the quasi-judicial proceedings of the Commission as distinguished from its rule-making functions. The bill provides that in every case of adjudication—as defined in the Administrative Procedure Act—in which a hearing is to be held, the hearing must be conducted either by the full Commission or by one or more examiners. The principal result of this amendment is that an individual member, or a panel of members, of the Commission, or a board of employees could not, as is permissible at present, conduct the hearing. Guarantees are provided in the bill to insure that an examiner conducting the hearing will reach his decision in an impartial and judicial manner, on the basis of the record of the public hearing. In order to obtain this result, the bill contains prohibitions against consultation by the examiner with any other person on any fact or question of law in issue unless upon notice and opportunity for all parties to participate; it provides that the examiners shall not be responsible to or subject to the supervision of any person engaged in the performance of investigative, prosecutory, or other functions for the Commission or any other agency of the Government; and it also prohibits consultation between the examiner and any member or employee of the Commission with respect to the examiner's initial decision or any exceptions taken to it.

Similar prohibitions against consultation, except to the extent required for the disposition of ex parte matters, are imposed upon the commissioners themselves. This means that the members of the Commission are still free to get the advice and counsel of any of its experts in order to assist in the interpretation of technical data and testimony contained in the hearing record, but such advice and counsel can be obtained only in open court, not in private.

The committee believes that this will have a very salutary effect on the operations of the Commission and will make it act in a manner similar to that of a court in these contested proceedings. Of course, there is no prohibition against consultation among commissioners or between a commissioner and his professional assistant. Similarly, the commissioners will be able to obtain the assistance from the review staff which is provided for in this bill. The committee regards this particular provision of the bill of vital importance in guaranteeing fair and open hearings in cases involving applications for licenses.

I want to say, however, in connection with this provision as I did when I discussed the provision which would set up the review staff, that the Commission is opposed to the enactment of these provisions and that it has expressed its opposition in its letter to the Speaker.

It is provided that the procedural changes shall not be mandatory as to any agency proceeding initiated prior to the date on which this act takes place.

The author of S. 658 is the distinguished Senate majority leader, Senator MCFARLAND. The Senate and House committees have given serious and faithful consideration to the very important subject of modernizing our Communications Act, much of which has continued in effect since the original Radio Act of 1927. In some respects, the House version of S. 658 does not correspond to the bill as it passed the Senate. I firmly believe that these differences can be worked out in conference, and that we will have, before the end of this Congress an improved communications act, which will more adequately meet the problems faced in this dynamic communications industry. Right now we are beginning to notice the effect of the lifting of the television freeze. The Commission will be faced with an unprecedented workload in the months to come, with more than 2,000 television channels available for licensing. It is our belief that passage of S. 658 will be an added guaranty for the fair and efficient conduct of the numerous hearings which will involve conflicting applicants for these facilities, and that it will insure the bringing of television broadcasting service to the public in an expeditious manner.

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

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

Mr. GROSS. On page 43 of the bill there is this language:

> No license granted for the operation of a broadcasting station shall be for a longer term than 3 years and no license so granted for any other class of station—

And so forth. I am at a loss to understand what is meant by "any other class of station."

Mr. HARRIS. That refers to radio stations other than broadcasting station as defined in the Communications Act.

Mr. GROSS. I do not see that definition and what the license shall be.

Mr. HARRIS. You will find that broadcasting means the dissemination of radio communications intended to be received by the public. There are other kinds of radio stations, such as police establishments for controlling forest fires and various others for safety purposes.

Mr. GROSS. I can understand that, but I do not understand what they mean by "any other class of station."

Mr. HARRIS. That is what we mean.

Mr. GROSS. I was simply asking for clarification. If that is what it means, I am perfectly satisfied.

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

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

Mr. HINSHAW. Answering the question of the gentleman from Iowa [Mr. GROSS] may I refer him to the language of the bill, page 32, lines 22 to 25 and lines 1, 2, and 3 on page 33.

Mr. HARRIS. For clarification, that will answer the question.

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

Mr. HARRIS. I yield to the gentleman from Utah.

Mr. GRANGER. I think the gentleman has made a very fine statement and has answered some of my questions. Will the gentleman tell me in a few words really the function of the Commission with respect to radio and television? Are they considered in the category of public utilities the same as the telephone and telegraph?

Mr. HARRIS. The Commission is a regulatory body set up by the Federal Government for the issuance of licenses throughout the United States for radio stations and for administering the Communications Act of 1934, as amended.

Mr. GRANGER. Then, as I understand it, this bill has to do with procedural matters entirely; is that the reason?

Mr. HARRIS. That is one major purpose. There are others which this amendment contains, and I do not want to minimize their importance at all.

I think I will say to the gentleman that perhaps the organizational set-up down at the Commission and the Commission procedures have been the object of the most consistent complaints among the people in the industry and the public throughout the country.

Mr. GRANGER. One more question. Was there evidence that the Commission had acted outside of the hearings that it held; that it did not act on the evidence before the Commission?

Mr. HARRIS. The Federal Bar and many others, in long hearings and testimony, complained rather severely about the fact that hearings would be ordered, and they would go before an examiner. They would complete the hearings. Then it comes to the Commission for oral argument and then after the oral arguments the Commission goes into executive session and will call in certain staff experts, and they will recommend what the final result should be. Consequently the applicant or whoever is interested on the opposite side, has no way of knowing what is going on and has no opportunity of protecting himself.

Mr. GRANGER. I thank the gentleman.

Mr. HARRIS. In other words, it boils down to this: The complaints have been rather severe that the Commission has not been making the decisions; that they are being made by the staff.

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

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

Mr. PRIEST. With further reference to the question asked by the distinguished gentleman from Utah on the question of public utility, the fundamental basis of a public utility is a question of rate making. The Commission, of course, has no jurisdiction whatsoever in fixing any rates for advertising charged by a radio station or television station, and that differentiates it from any other public utility that is subject to a regulatory body. I thought I would make that observation.

Mr. HARRIS. I appreciate the remarks made by my distinguished colleague.

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

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

Mr. BOW. Does not the gentleman feel that this bill will prevent the practice going on in the past of the legal staff and the attorneys, who try these cases, writing the opinions, and then submitting those opinions directly to the Commission?

Mr. HARRIS. That is precisely what I have been trying to explain.

Mr. BOW. I just want to make sure that there is a separation of the legal department from the Commission, so that the legal department does not act as the Commission and the Commission substituted by the legal staff.

Mr. HARRIS. I certainly would like to refer the gentleman to the report on this subject that I have discussed here at length and advise him how we set up here the review staff and the administrative assistants that go to the Commission with the intention of doing exactly what the gentleman has just mentioned.

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

Mr. HARRIS. I yield.

Mr. ROGERS of Colorado. This has reference to action of the Federal Communications Commission in the past, particularly as it affects the district I represent. The Federal Communications Commission issued a freeze order where they would not accept applications for television in the city and County of Denver, Colo. Is there anything in this bill that would compel the Federal Communications Commission to accept applications and proceed promptly?

Mr. HARRIS. Yes. The Federal Communications Commission in 1948 issued a freeze order on television applications.

Mr. ROGERS of Colorado. That is right.

Mr. HARRIS. Only recently have they lifted that freeze, and they are accepting applications and, as of July 1, I believe, will start processing.

Mr. ROGERS of Colorado. Yes; but what I should like to know, Is there anything in this bill that would compel the Federal Communications Commission to proceed expeditiously in the hearings and not issue another freeze order or refuse to proceed and grant the license if the applicant meets all requirements?

Mr. HARRIS. Subsection (g) on pages 42 and 43 has as its objective to accomplish what the gentleman has just referred to.

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

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

Mr. GROSS. Right on this subsection (g) again, does not the gentleman from Arkansas think we ought to say here that instead of the Commission meeting once each calendar month they should meet at least twice each calendar month?

Mr. HARRIS. The gentleman knows we cannot get down to establishing the days and the hours and the time that any commission shall meet. We say here they shall meet at least once a month. That is certainly no prohibition against the Commission's meeting every day.

Mr. GROSS. If we are going to put any time element in at all, why not say at least twice each calendar month?

Mr. HARRIS. There has to be some practical approach to what the Commission does if it performs the duty we have put on it and carries out its responsibility.

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

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

Mr. HINSHAW. I think the gentleman from Iowa would be interested to know that the Commission may operate by divisions or by individual members or by boards. The actions of these individual members or boards or divisions are intended to be those of the Commission. They will be taken every day in the week. But as to the Commission sitting in a formal meeting of the entire Commission, that meeting is merely directed to be held not less than once a month.

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

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

Mr. MORANO. Is there anything in this bill that would control the rantings

of certain disk jockeys who operate after midnight and allegedly libel persons, and then no record is kept of what they say, so that the person who is allegedly libeled cannot get redress or even find out what was said about him so that he can get him into court? I will cite a specific example if the gentleman wants me to.

Mr. HARRIS. I do not believe there is anything in this proposed amendment that would have for its purpose trying to reach that problem.

Mr. MORANO. For example, there was a disk jockey in New York who allegedly attacked a newspaperman in Connecticut. The newspaperman in Connecticut called the radio station but could not get a transcript of what was said so that he could sue if he were really libeled. What control does the Commission have over that sort of situation, if any?

Mr. HARRIS. The gentleman knows if he has any legal rights he can go into court and there protect his rights.

Mr. MORANO. The station was not required to keep a tape record of what was said, so how can you go into court when you do not know what was said except from a listener?

Mr. HARRIS. As I just said to the gentleman a moment ago, there is nothing in this proposal that would attempt to meet that problem.

Mr. MORANO. Could I send the correspondence I have on this matter to the gentleman's committee to see whether something could be done?

Mr. HARRIS. Surely, we would be glad to have it. We will be glad to have all information possible, because we get that every day. As chairman of this special television-radio committee set-up here, I am getting hundreds and hundreds of letters every day. We will be glad to have any such complaint.

Mr. Chairman, I have further explanations of the additional items in this bill, which I will include in my remarks with my full statement in the RECORD.

In order that we might have further a complete report as to the entire matter, I will include in my remarks at their conclusion a memorandum provided by our staff as to the power of the Commission's staff under the House committee amendment to this bill, and under the present law under the administrative procedures act, which I think will be helpful.

Mr. Chairman, I shall also include the stated opposition of the majority of the Federal Communications Commission in a letter to the Speaker, and also a letter from Commissioner Jones who takes the opposite viewpoint in order that we may have for the RECORD as clear and complete information as is available on this amendment, and the subject matter we have before us.

Mr. WOLVERTON. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I desire to commend the gentleman from Arkansas who has just spoken for the very complete explanation he has made of the bill. It is characteristic of the care and study which is given to matters which come before our committee by the gentleman from Arkansas.

Mr. Chairman, the Committee on Interstate and Foreign Commerce has labored hard and long before reporting the present bill, amending Communications Act, S. 658, to the House.

It is exceedingly technical in character. To fully understand its details I recommend that the Members give close study to the report (No. 1750) that has been made by the committee. It is only by a comparison of what the law now is, with what the committee recommends that the changes, as to the reason therefor and the effect thereof, can be understood and fully appreciated. And, in view of the diversity of views expressed during the hearings on several important questions, it would be well to study the hearings before the committee. The committee has done the best it could to report a bill that will adequately and correctly meet the situation as it exists today. We feel that the bill is a good one and deserves the support of the House.

I can say without any hesitancy that no bill has come before the House during this session that has had more careful study and consideration than the one now before us. Furthermore, the study that has been given to the subject matter is one that has occupied the attention of Congress, either in House or Senate, or both, for upward of 10 or more years. There have been many bills before us during this period of time that have been given careful study.

The bill as reported by the House committee is a rewriting of S. 658 as passed by the Senate on February 5, 1951.

Hearings on S. 658 were held before the House Committee on Interstate and Foreign Commerce during April 1951, and the printed volume of such hearings comprises 419 pages. The hearings were followed by extensive executive consideration of the bill.

In the course of the extended hearings held by this committee, lengthy testimony was presented by the Federal Communications Commission—unanimous with respect to some provisions, divided as to others—opposing many of the provisions contained in these bills. Furthermore, the testimony offered by some broadcasters and by the Commission was to the effect that several of the provisions, while largely procedural in nature, would or might effect basic changes in policy with respect to radio and television broadcasting and related matters.

These circumstances compelled your committee to scrutinize with the greatest care the conflicting views expressed by the broadcasting industry, the Federal communications bar, and the Commission itself with respect to the meaning and effect of the provisions contained in S. 658, in order to determine the merits of each of the changes in existing law proposed by the bill as it passed the Senate.

The committee has earnestly endeavored to resolve the conflicts with which it was confronted as the result of the views presented to it during public hearings. Furthermore, although many of the provisions are very complicated and technical, a diligent effort has been made to fit the proposed amendments into the existing law so as to achieve a consistent and workable statutory pattern.

PURPOSE AND EFFECT OF THE LEGISLATION

The report of the committee has sought to set forth in a clear and logical way the changes that have been made. In doing so it has divided its consideration into the several objectives it had in mind.

The bill, as amended, proposes a substantial number of changes in the Communications Act of 1934. The proposed changes relate to a large variety of matters.

It may be stated generally that most of the proposed changes in existing law fall into the following broad categories:

First. Amendments calculated to improve the organizational set-up and administrative functioning of the Federal Communications Commission and its staff.

Second. Amendments designed to clarify and improve the procedure and law relating to the granting of construction permits and licenses for radio (including television) stations, the granting of renewals of such licenses, and the transfer or modification of such permits and licenses.

Third. Amendments giving the Commission certain new administrative powers which can be used to secure compliance, by holders of construction permits or station licenses, with duties and requirements to which they are subject under the law. The only such power now possessed by the Commission is the power to revoke licenses, which is too severe a penalty in the case of many violations. With the new powers the Commission will be able to adjust the penalty to fit the seriousness of the offense.

Fourth. Amendments to clarify, and to modify in some respects, the provisions relating to (a) rehearings on orders and decisions by the Commission, and (b) judicial review of Commission orders and decisions.

Fifth. Amendments which impose special requirements applicable to proceedings involving the exercise of quasi-judicial functions (as distinguished from rule-making functions), designed to insure that in proceedings of this character the officers performing the decision-making function shall render their decisions on the basis of the record made in public hearing.

THE MORE IMPORTANT CHANGES

It would be impossible in the limited time available to make reference to all the changes that the House committee has made, in existing law or in S. 658, as it passed the Senate. However, I do make reference, in a brief manner, to some of the changes that have been made and are entitled to special consideration.

On March 12, 1952, the Committee on Interstate and Foreign Commerce ordered reported favorably to the House S. 658—commonly known as the McFarland bill—with amendment.

A general amendment strikes out everything after the enacting clause of the bill as passed by the Senate and inserts a substitute.

In many respects the amended bill so reported is the same as the bill passed by the Senate. The more important differences, as well as the principal changes which the amended bill would make in the present law, may be summarized as follows:

The provisions of the Senate bill relating to the reorganization of the Commission have been retained substantially intact. These provisions constitute a statutory confirmation of the reorganization already effectuated by the Commission which divides the Commission staff into four functional bureaus (namely, the Broadcast Bureau, the Common Carrier Bureau, the Safety and Special Radio Services Bureau, and the Field Engineering and Monitoring Bureau) and four staff offices (Office of Chief Engineer, Office of General Counsel, Office of Chief Accountant, and the Office of Secretary). Each Commissioner would be provided with a professional assistant of his own choice.

The members of the Office of Opinion and Review—formerly known as the Office of Formal Hearing Assistants—as well as other employees of the Commission staff—except the professional assistants of the Commissioners—would be prohibited from making recommendations to the Commission with respect to the disposition of adjudication cases in which hearings are held—for example, cases involving the granting, renewal, or revocation of station licenses.

The provisions of the Communications Act authorizing the Commission to divide itself into panels which would have been eliminated by the Senate bill are retained in the amended bill.

The amended bill retains the Senate provision requiring the Commission to report to the Congress any case of an original application for a broadcast license, or renewal or transfer thereof, which has not been finally decided by the Commission within 3 months from the date of filing of the application, or 6 months wherever a hearing is required.

The amended bill provides several procedural safeguards not contained in the present law. Before the Commission may formerly designate for hearing an application for a license or a renewal thereof—or for a construction permit, it must notify the applicant and other known parties in interest of the grounds and reasons for the Commission's inability to grant the application without a hearing. The applicant must be given an opportunity to reply and the case may be set down for hearing by the Commission only after consideration of such reply.

The Commission must notify the applicant and all other known parties in interest of the grounds and reasons for setting an application down for hearing. Parties in interest, if any, whom the Commission fails to notify may file a petition for intervention.

In cases in which an application is granted by the Commission without a hearing, the grant remains subject to protest for a period of 30 days by any party in interest. After the Commission has satisfied itself that the allegations of fact set forth in the protest show that the protestant is a party in interest, the Commission must set the application down for hearing on the issues set forth in the protest.

With respect to the renewal of broadcasting licenses, the committee amendment provides that such renewal shall be granted if the Commission finds that the public interest, convenience, and necessity would be served thereby. The amendment also provides that the Commission shall not require an applicant for renewal to furnish any information previously furnished by such applicant or not directly material to the question of renewal. A special procedural provision contained in section 13 of the Senate bill dealing with cases of renewal in which the Commission must hold hearings, has been eliminated. The present law provides that applications for renewal shall be governed by the same considerations and practice which affect the granting of original applications.

The amended bill modifies the provisions of the Communications Act governing transfers of station licenses and construction permits by providing that the Commission shall, in cases of transfers, proceed as if the transferee was the only applicant for an original license or permit. The Commission must approve the transfer if it determines that the public interest is served thereby.

The amended bill does not change section 311 of the Communications Act, which authorizes the Commission to refuse a license to persons who have been finally adjudged guilty by a Federal court of unlawfully monopolizing radio communications. The Senate bill would have eliminated this authority from present law.

The amended bill gives the Commission power to issue cease and desist orders, to suspend licenses for not to exceed 90 days, and to levy fine up to $500 per day for violations of the Communications Act, Commission regulations, or treaties. The Commission's present power, under the Communications Act, to revoke licenses for similar offenses is limited by the amended bill so that it may be exercised only in case of violations which are willful or repeated. The Senate bill provides for the issuance of cease and desist orders but does not contain the additional powers of suspending licenses or levying fines.

With respect to review by the Supreme Court in cases of license revocation or failure to renew a license, the amended bill retains the present law that such review is discretionary with the Supreme Court. The Senate bill would have granted such appeals as a matter of right.

Finally, the amended bill prohibits the Commission from adopting any rule or regulation of substance or procedure which discriminates against any person based upon interest in, association with, or ownership of any medium primarily engaged in the gathering and dissemination of information. No application for a construction permit or station license—or for the renewal, modification, or transfer thereof—may be denied by the Commission solely because of any such interest, association, or ownership. No comparable provision is contained in the present law or in the Senate bill.

This concludes my explanation of the purposes and objectives of the bill. I think you will agree with me, as I stated in the commencement of my remarks, that the bill is of a highly technical character. Therefore the subject has been given very long and careful consideration by the committee before it made its report to the House.

We feel that the bill as reported to the House is entitled to your favorable consideration.

Mr. Chairman, I yield 15 minues to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, the gentleman from Arkansas and the gentleman from New Jersey have adequately explained the general purposes and intent of this bill and there is no need for me to go further into the subject except to accent again that the provisions of the bill, as anyone can tell who reads it, are extremely technical.

The committee worked in executive session on this bill for 2 months last fall and for 2 months more upon resumption of the session of Congress on January 3 this year, a total of something like 40 or 45 days in executive session in working out the difficult complicated procedural matters related to this subject. I shall not go into these difficult matters. They are largely procedural. The committee report deals with these matters in detail.

But I think that the Members should know that the original Federal Communications Act of 1934 contained six titles. This bill amends title I, III, and IV. The other titles, I believe, are not seriously affected. We should realize also that while the purpose of this bill is to effect the issuance of licenses and the procedure of the Commission in respect to broadcasting, the Commission also has other functions and duties which are very highly important in nature, because in addition to regulating broadcasting, they must regulate the transmission of messages by wire communications and wireless communications where they are person to person, where it is not a public dissemination of information; as, for example, the wireless telegraph companies, the ship-to-shore telephones, the amateur radio business, which is very widespread in the United States, the issuance of licenses for the operation of such things as radio on aircraft as well as radio on ships, and a great many other similar purposes.

In addition to all of these, they must, in effect, license equipment that is used for the transmission of messages, such as airplane to ground or ship to shore, and so on. In addition, it is up to the Commission to regulate the use of devices which will emanate radio waves that may interfere with communications; for

example, the so-called diathermy machines, electric ovens, and all that sort of thing have to be approved as pieces of electrical equipment by the Federal Communications Commission, because in the past so many of them have been found to emit strong and what might may be termed stray wave lengths as to practically destroy certain kinds of general public as well as more and less private communications.

There are many applications which are of an extremely serious nature and which have been dealt with by other bills which this committee has presented to the House in the past. Among them are devices which might be used by an enemy as a homing device in the case of an air raid on our country. For example, an electric oven, with the radio energy which they might throw off into space, could very well be used as a homing device. Through another bill passed by this House and the Senate some time ago powers were given to control that sort of thing.

In addition there is the question that has arisen many times of interference between the emanations by radio from stations located in the United States and stations located in foreign countries. Consequently treaties have been entered into with foreign countries for the allocation of wavelengths in certain areas of transmission. Those treaties are, of course, a part of the law of the land and are as effective as any act passed by this House and the Senate when such treaty has been duly ratified by the United States Senate. So, all in all, the Federal Communications Commission has a tremendous task to perform, one of great and intricate detail.

It is the purpose of our committee in presenting this bill to you today, as I said in the beginning, to implement facilitation of the work of the Commission and also fairness in the allocation of these wavelengths and the licenses and the permits granted pursuant thereto by the Commission to persons who may apply.

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

Mr. HINSHAW. I yield to the gentleman from New York.

Mr. DONOVAN. I notice that there is a new subsection added, designated as subsection (b) of section 6, which provides that in the case of an application for renewal of a station license, if there should be another applicant on the scene for a broadcasting station in the same area, that the applicant for the renewal, in case he is unsuccessful, can force the successful applicant to buy his plant, lock, stock, and barrel, at a price to be fixed by the Commission. Now I was just wondering whether or not the committee had any particular broadcaster in mind who might be on his last legs, and wrote this section to ameliorate his financial embarrassment; or whether this is to be adopted as a general principle covering the whole industry.

Mr. HINSHAW. In reply to the gentleman I will state that the principle involved in this amendment was presented to the committee by its chairman, the gentleman from Ohio [Mr. CROSSER], and agreed to by the committee. The purpose, I believe, behind it was to take care of a situation which arose in a total of three cases that had arisen in the United States where a mutually exclusive license was granted to another broadcaster but not in the same city.

Mr. DONOVAN. Would the gentleman mind disclosing to the committee the identity of those three cases?

Mr. HINSHAW. I would, if I had the information here. I can obtain it. They are in the hearings, I believe. That certainly came up in the committee discussion. Does the gentleman from Arkansas know whether we have those three cases listed in the hearings?

Mr. HARRIS. I am not sure that they are listed in the hearings. We will be glad to undertake to get the information and supply it to the gentleman from New York.

Mr. HINSHAW. The information is available, but I do not have it at my tongue's tip at the moment, but one of them was in northern Indiana, where a station license was applied for by someone in one of the cities at a relatively high power.

Mr. DONOVAN. Suppose we wait until we get the specific name.

Mr. HINSHAW. I would like to complete the statement since I started it—and that it involved a much smaller station which was operating in a nearby town. It was felt it would be in the public interest that the larger station and its license should be granted, thereby freezing out the smaller station and its licensee. Now, there was no fault, apparently, found with the smaller station and its licensee. However, in order to protect the public interest it was felt that the big city license should be granted. At that point it seemed highly unreasonable to expect that a person who normally could expect to have his license extended was denied that opportunity for the benefit of someone else, and the public, on a higher power basis mutually exclusive in wavelength to the one so frozen out.

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

Mr. HINSHAW. I yield to the gentleman from Arkansas.

Mr. HARRIS. I am inclined to think the gentleman is speaking of information that was supplied to us by the Commission. There were a very few applications that were granted for new facilities which required the deletion of other facilities. The idea here, I believe, with specific reference to the case that the gentleman mentioned in the Midwest, was that the person who got the new facility would have to pay for the facilities in the nearby community which were to be deleted. Consequently the intention of the distinguished chairman of our committee in proposing this was that if certain conditions like that did arise the established station would certainly be protected if the application for a new station in the nearby town is granted.

Mr. HINSHAW. There were only three such cases in the history of the Commission, as I remember.

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

Mr. HINSHAW. I yield to the gentleman from New York.

Mr. DONOVAN. I did not have anything particular in mind, but in going through this report this subsection stuck out, to my humble mind, like a sore thumb, which would actually permit, if it remains in the bill, a tottering broadcaster to make a token application for a renewal of his license and at the same time permit him to force an enterprising broadcaster who wanted to get into that area to take over his whole apparatus lock, stock, and barrel at a price that might be very favorable to the failure.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Minnesota.

Mr. O'HARA. Let me say to the gentleman that I think if he reads the language contained in the report he will find it is so unduly restrictive that I do not think anybody is going to do very well about it who is in that position. I think the subsection does not give the operator of the so-called affected radio station the fair and reasonable value of his property. I think it is very restrictive. It is not going to give him a chance to cash in on such a provision.

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

Mr. HINSHAW. I yield to the gentleman from Maine.

Mr. HALE. If I correctly understood the implication of the gentleman from New York, I rather got the impression that he was suggesting that the committee was deflected in its high purposes by some important figure in the radio world to whom we were friendly or willing to show unjust favoritism. I can assure the gentleman that if he entertains any such suspicions they are entirely unfounded.

Mr. HINSHAW. I think the gentleman from New York [Mr. DONOVAN] did make a reference which might be construed to cast some undue criticism upon the committee. I am sure the gentleman did not intend to do so.

Mr. DONOVAN. The gentleman is exactly correct, sir.

Mr. HINSHAW. Actually there was no such thing brought to the attention of the committee, as the gentleman apparently thought there might have been. The only thing which was brought to the committee was a case in which the Commission, by its own order, actually froze out a small station, and, of course, in that event the owner of the small station was completely at the mercy of anyone who wanted to come in and bid on his equipment.

Mr. DONOVAN. Under the circumstances, may I have the gentleman's assurance that sometime this afternoon there will be placed in the RECORD the names and identities and locations of these three broadcasting facilities, which the committee has some knowledge of?

Mr. HINSHAW. Mr. Speaker under authority granted to extend my remarks, may I say that I have ascertained that the case in point is that in which station WJKS in Gary, Ind., was granted a license which deleted the facilities of stations WPCC and WIBO in Chicago.

The Supreme Court later upheld the right of the Commission so to do on May 8, 1933.

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

Mr. HINSHAW. I yield.

Mr. HARRIS. I think, perhaps, we can furnish the gentleman with some examples. I assure the gentleman we will do our best to give him whatever information is available as to any specific case.

Mr. DONOVAN. Did I understand the gentleman to say that there were three cases?

Mr. HINSHAW. I think so. That is according to my memory. Of course, we considered this matter some months ago.

Mr. HARRIS. Mr. Chairman, the gentleman perhaps might be able to give the House any information that is available with reference to the North American Regional Broadcasting Agreement. Does the gentleman have any information on that? I have had some inquiry about it on this side of the aisle.

Mr. HINSHAW. That was a treaty negotiated, I believe, at Habana, which apportioned among the various American continental countries and others, the use of those frequencies and high energy which would penetrate over long distances. In my opinion, of course, although others might hold another view, it did not deal entirely fairly with our own country. But, as I say, that is a matter of personal opinion.

Mr. HARRIS. It had to do with the clear channel stations did it not?

Mr. HINSHAW. Yes.

Mr. HARRIS. Does the gentleman know what the status of the agreement might be?

Mr. HINSHAW. No, I am sorry I do not. I think it has been ratified, but I am not sure.

Mr. HARRIS. My information is that it has not been ratified.

Mr. HINSHAW. The gentleman could be correct. Those matters do not come before the House, and hence we are not apt to know about them except by due notice in the CONGRESSIONAL RECORD as to whether or not such treaties have been ratified by the other body. At all events, I think we got the short end of the stick on that treaty. But, that is a matter of personal opinion although others might disagree with that opinion entirely.

Mr. Chairman, if there are no further questions, I yield back the balance of my time.

Mr. HARRIS. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. McKINNON].

Mr. McKINNON. Mr. Chairman, I want to express my appreciation for the good work that this committee has done on this bill. I think something of this sort has been needed for a long time. I think the committee made a good effort in that direction. I want to point out to the committee, however, that one of the ways of implementing efficiency of the FCC and helping the radio industry would be for the House to be a little more realistic in the apportionment of funds for the operation of the FCC. We have lost a lot of money, and a lot of good business in the radio industry because applications have been needlessly delayed, because the FCC did not have the funds to expedite applications. Congress, I think, sometimes has been penny-wise and pound-foolish in not providing the FCC with sufficient funds to operate efficiently and with good speed, and as a result of that we have denied a lot of people the right to be in business who would otherwise be serving the public and making tax money for Uncle Sam.

Mr. Chairman, I would like specifically to touch on section 7, paragraph d, page 46, as it relates to the publishers in their application for radio broadcasting permits.

Before coming to the Congress, I was the publisher of a good-sized metropolitan daily newspaper, and the owner of a 5,000-watt radio station in San Diego. So what I say may not fit exactly with my best interests as an individual, but I notice that this bill places a rightful emphasis on public interest, convenience, and necessity. I think we should keep this in mind at all times—the public interest, the public convenience, and the public necessity because when these licenses in the radio field are handed out, they provide a man an excellent opportunity for a good income. Basically what we are trying to do, however, is to serve the public and provide competition of ideas in every way possible. Now when you get into markets where you have real competition in the newspaper business, and where you also have two, three, or four channels for television licenses, I think this section should apply just as it is now worded. But, where we move into an area where you have a newspaper monopoly, and where in that area you are going to have only one TV channel, then I think this wording should be softened or else we should have some understanding on the floor today that the word "solely" is a qualified word. We should be sure that we have competition of ideas, if our democracy is going to function. Too often we give a lot of lip service to free enterprise without really meaning it. I am all for free enterprise, but I think democracy can function only when we likewise have freedom and competition of ideas for the public.

When we come to an area like Los Angeles for instance, where we have seven TV channels and three distinctive competitive newspaper ownerships, then I would say that this provision is good. But where we move up to a city like Oakland, where we have one newspaper monopoly, dominating the newspaper field in that area, where you have only one TV channel to be granted in that area, then, in cases like that, the FCC should not allow the newspaper monopoly to also own the sole TV broadcasting outlet. This section (d) should not apply in a case like this for it leads to a complete dissemination of ideas in that area. To do so would defeat the basic concept of this bill; to wit, public interest, convenience, and necessity. I wonder how the committee feels on problems of this kind and how that word "solely" should be interpreted by FCC.

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

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

Mr. PRIEST. I am in full accord with the gentleman's view against granting a monopoly on sources of gathering and disseminating information. But with reference to the amendment, particularly that part of it which provides that no rule or regulation shall be promulgated that would result in discrimination solely on the basis of an interest in or connection with a newspaper, I wonder if it is not the gentleman's opinion that the Commission, getting back to the question of public interest, cannot make a decision in the public interest against a monopoly, and use that as a basis for a decision if such a monopoly situation presented itself. In other words, it seems to me that the public interest, as the gentleman has already emphasized, will govern at all times. I believe that, with this amendment in the bill, the Commission still might refuse a license that would result in a monopoly, because a monopoly would not be in the public interest.

Mr. McKINNON. I thank the gentleman.

I would like to ask further: If the Federal Communications Commission were to turn down an application of a publisher for a TV station in an area that would grant him a monopoly in news dissemination and information, would not the FCC be right in turning down that application, based upon the public necessity and public convenience, rather than on the strict interpretation of the word "solely" in that particular paragraph?

Mr. PRIEST. It is my opinion that that is true.

Mr. McKINNON. Is that in accord with the views of the chairman of the subcommittee?

Mr. HARRIS. I do not believe it is involved in this amendment. I should like to say that the amendment which the gentleman is discussing is an amendment offered by our distinguished friend from Tennessee [Mr. PRIEST], a member of the committee, who has just given you what his intention in the amendment was. It is my feeling and I think it is the general position of the committee that all of these matters should be taken into consideration in determining what would be in the public interest, convenience, and necessity. If there is a question of monopoly involved, where you have two applicants, then certainly the Commission could not say that it would be in the public convenience and necessity to give it to a station that would bring about a monopoly in this field. In other words, it was the feeling of the committee to not necessarily bring about a situation where the Commission would have to favor one applicant over another, but to try to say to the Commission that it should not discriminate against one applicant over another. But the important thing, as the gentleman from Tennessee has just said, is that the Commission should determine these applications solely on what is best for the convenience and necessity of the public.

Mr. McKINNON. I thank the gentleman.

Mr. PRIEST. If the gentleman will yield further, I wish to add just one sentence to what the distinguished gentleman from Arkansas has just said: Not only shall the Commission determine it solely on the basis of public interest, but on the other hand, no applicant shall have two strikes against him solely because of his interest in a news-gathering organization, corporation, or partnership, or whatever it might be.

Mr. McKINNON. With that explanation I think the paragraph is sound. I do not think a publisher should be discriminated against because he happens to own a newspaper. I think it is the philosophy of this bill that it should be the interpretation of the FCC that the public interest is best served when you have competition of ideas rather than a monopoly of ideas.

Mr. PRIEST. And with that I fully agree. That was my own thinking in offering the amendment to the committee.

Mr. McKINNON. I thank the gentleman, Mr. Chairman, and yield back the balance of my time.

Mr. WOLVERTON. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA. Mr. Chairman, as one member of the Committee on Interstate and Foreign Commerce, I do want to state that the committee gave a great deal of consideration to this highly technical bill not only in rather long hearings but in long executive sessions and in writing the bill and presenting it to the floor.

It is often amazing to me how on a technical subject one quickly forgets the contents of the bill on which we have spent a great deal of time. Generally speaking, I think my distinguished colleagues who have preceded me have touched upon many features of the bill which I think are perfectly appropriate and proper amendments to the present Communications Act. There are, however, one or two provisions on which I had my reservations, but I shall not spend any time on them at this moment. In connection with the operations of the Federal Communications Commisison they also exercise certain supervisory powers over the hazards to air navigation in the construction of radio and television stations, and towers. This has been somewhat of a problem in our committee from the viewpoint of both Federal Communications and also the CAA and CAB, which likewise come under the jurisdiction of our committee.

I ask unanimous consent to extend at this point in the RECORD two letters, one written by Mr. C. G. Tipton, of the ATA, addressed to Hon. ROBERT CROSSER, chairman of our committee, and the reply of Mr. Hyde, the Acting Chairman of the Federal Communications Commission, on this subject.

The CHAIRMAN. Without objection they may be included.

There was no objection.

(The letters referred to follow:)

MARCH 6, 1952.

Re S. 658, an act to further amend the Communications Act of 1934.

Hon. ROBERT CROSSER,
Chairman, Interstate and Foreign Commerce Committee, House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: The above bill now before your committee permits you to deal with the hazards to air navigation created by the erection of radio and television towers. The enormous height of proposed television towers makes them a special problem, and the large number of applications now being or soon to be filed with the Federal Communications Commission for tower-construction permits makes it an urgent matter requiring immediate consideration.

The Federal Communications Act in its present form does not deal directly with this problem; it provides, in section 303, that the Commission shall "(q) Have authority to require the painting and/or illumination of radio towers if and when in its judgment such towers constitute, or there is a reasonable possibility that they may constitute, a menace to air navigation." There is not, however, specific authority to deny permits to construct such towers, and the mere illumination of them does not necessarily eliminate the hazard. Although the Commission in at least one case denied an application for a license to reconstruct a radio station in part because the antenna would constitute a hazard to air navigation and was sustained by the courts in *Simmons* v. *Federal Communications Commission* (145 Fed. 2d 578 (1944)), this was decided under the Commission's general powers to issue, renew, or modify licenses contained in section 309 of the Federal Communications Act, and not on specific statutory authority. Congress has not specifically authorized the Commission to deny applications when such towers constitute a hazard to air navigation.

In the absence of precise statutory authorization the Commission is employing an administrative procedure of referring doubtful cases to the other Government agencies interested in air safety. The agencies often hear the applicants' proposals and recommend an approval or disapproval. This procedure has little, if any, statutory basis, and is advisory only. If the recommendations by the agencies responsible for air safety are rejected by the applicant, he can demand a hearing before the Commission.

I recognize that this comment on S. 658 comes late in your consideration of the bill, but the immediacy of this problem has arisen recently and will be so pressing within the coming months that it is urgent to consider it while this bill is before your committee. The Federal Communications Commission has already referred several proposed applications for construction permits for television towers which are now being studied by the Air Force, the Navy, the Coast Guard, the Civil Aeronautics Administration, and the Civil Aeronautics Board. These applications will not only continue but are expected to increase when the freeze on new television licenses is lifted. Out of fairness to the applicants an early disposition of them should be made. The applicants want prompt decisions to permit them to find other locations for the tower in sufficient time to permit the operation of the broadcast stations at the earliest time authorized by the Commission. At the same time, the potential hazards to air navigation should also receive the consideration to which they are entitled. We recommend, therefore, that the Communications Commission be given clear authority to deal with them by amending the Federal Communications Act by inserting a provision in this bill which would add to section 303 of the Communications Act a new paragraph (s) which would read as follows:

"(s) Have authority and be required to refuse to issue or modify any license or construction permit when such license or permit would authorize the operation or construction of radio or television towers which in its judgment, after consultation with the Civil Aeronautics Administration, the Civil Aeronautics Board, the Department of Defense, and the Treasury Department, constitute, or there is a reasonable possibility that they may constitute, a hazard to air navigation."

Such a provision would remove any doubt that the Commission could deny construction permits where towers are a hazard to air navigation after consultation with agencies responsible for air safety. Each of the departments to be consulted operate aircraft or have a responsibility for the operation of aircraft. The Treasury Department's interest is due to the Coast Guard's operation of aircraft in rescue operations, and the Civil Aeronautics Administration and the Civil Aeronautics Board are responsible for safety in civil air navigation.

Very truly yours,

S. G. TIPTON,
General Counsel.

APRIL 18, 1952.

Hon. ROBERT CROSSER,
Chairman, Interstate and Foreign Commerce Committee, House of Representatives, Washington, D. C.

DEAR CONGRESSMAN CROSSER: This is with reference to the letter of Mr. S. G. Tipton, General Counsel of the Air Transport Association of America, concerning hazards to air navigation created by the erection of radio and television towers, which you referred to the Commission for comment. In his letter, Mr. Tipton proposes that your committee amend S. 658, a bill now pending before the House after being reported out with amendments by your committee, which would amend the Communications Act of 1934 by adding the following provision to section 303 of the act:

"(s) Have authority and be required to refuse to issue or modify any license or construction permit when such license or permit would authorize the operation or construction of radio or television towers which in its judgment, after consultation with the Civil Aeronautics Administration, the Civil Aeronautcs Board, the Department of Defense, and the Treasury Deparment, constitute, or there is a reasonable possibility that they may constitute, a hazard to air navigation."

The Commission has carefully considered this proposal and wishes to submit the following comments to your committee.

Mr. Tipton has made his proposal in light of his stated belief that it is necessary to remove any doubt as to the Commission's authority to deny applications which involve radio or television towers which might constitute a hazard to air navigation. The Commission is of the belief that it already has full authority, under the existing provisions of the Communications Act, to deny any applications which may involve a hazard to air navigation. The question of hazards to air navigation is clearly one element of public interest which sections 307, 309, and 319 of the Communications Act direct the Commission to consider in granting applications for licenses and construction permits. Section 303 (q) of the Communications Act gives the Commission specific authority to require the painting and/or illumination of radio towers where they may constitute a menace to air navigation. That section does not purport to limit in any way the licensing power of

the Commission and the Commission's duty in the exercise of that power to determine whether or not in individual cases the grant of an application would serve the public interest. The authority contained in section 303 (q) certainly does not mean that the Commission is powerless to deny an application on the ground that the hazard of air navigation created by a proposed antenna is such that it would not be eliminated or sufficiently minimized by painting or illumination. Moreover, the Commission's authority in this field was specifically upheld in the case of *Simmons* v. *Federal Communications Commission* (79 App. D. C. 264, 145 F. 2d 578), where the Court of Appeals stated (79 App. D. C. at 286): "We think that public convenience, interest, and necessity clearly require the Commission to deny applications for construction which would menace air navigation."

Pursuant to its statutory powers and duties, the Commission has promulgated rules which prescribe certain procedures and standards with respect to the Commission's consideration of proposed antenna structures which are designed to serve as a guide to persons intending to apply for radio station licenses. These rules are contained in part 17 of the Commission's Rules and Regulations, a copy of which is enclosed, and were formulated in conjunction with the Civil Aeronautics Administration, the Department of Defense, other Government agencies and the radio industry after exhaustive consideration of all facets of the problems and in light of many years of experience in this field of the parties concerned. We would also like to point out that the Civil Aeronautics Administration and the Federal Communications Commission are now jointly considering the possibility that part 17 of the Commission's rules may have to be amended or amplified in light of the expected filing of a vast number of applications for new television stations as a result of the lifting of the Commission's television "freeze."

In accordance with part 17 of the Commission's rules, proposed antenna structures, which in light of the criteria set forth in the rules, require aeronautical study, are referred by the Commission to the Airspace Subcommittee of the Air Coordinating Committee for its recommendation as to whether a proposed tower will constitute a menace to air navigation. The Air Coordinating Committee was created in 1946 by Executive Order No. 9781 to provide for the development and coordination of aviation policies. The voting members of the Airspace Subcommittee are representatives of various Government agencies and representatives of the aviation industry sit on the subcommittee but do not have a vote.

It is important to note that while the Airspace Subcommittee makes recommendations with respect to proposed antenna structures, the final determination as to whether an application must be denied because it proposed a tower which will be a menace to air navigation must necessarily be made by this Commission in accordance with its statutory duties. If the Airspace Subcommittee recommends denial of an application, and no adjustment satisfactory to both the subcommittee and the applicant can be reached, the applicant must be afforded a hearing as specified by section 309 (a) of the Communications Act.

As explained above, the Commission believes that it now has adequate authority to deny applications which may involve hazards to air navigation and that the procedures established by part 17 of the Commission's rules are functioning satisfactorily, and therefore, we are of the opinion that no amendment to the Communications Act vesting the Commission with specific authority to deny such applications is necessary. The amendment suggested by the Air Transport Association provides for procedures which are similar to those now followed by the Commission in part 17 of its rules, but the Commission considers that it would be unwise to freeze these procedures unnecessarily by making them part of the Communications Act. Both the aviation and radio industries are now undergoing unprecedented growth and change which may require reevaluation and readjustment of the Commission's procedures for dealing with the problem of hazards to air navigation caused by antenna towers.

The Commission appreciates your action in affording us an opportunity to comment on this proposal and we shall be happy to furnish any additional comments or information that your committee may desire. The Bureau of the Budget has informed us that it has no objection to the submission of these comments to your committee.

By direction of the Commission:

ROSEL H. HYDE, *Acting Chairman.*

Mr. O'HARA. Mr. Chairman, there is one other phase which I think probably no one is more responsible for than I. I am not speaking in any criticism of the committee. It deals with the subject of political broadcasts. During the hearings upon the bill there was considerable testimony as to the hiatus and the confusion which exists at the present time relative to section 315 of the Federal Communications Act referring to political broadcasts.

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

Mr. O'HARA. I yield to the gentleman from Arkansas.

Mr. HARRIS. Did I understand the gentleman to say that in connection with political broadcasts we had considerable testimony?

Mr. O'HARA. Oh, yes. There were a number of questions asked the Commission with reference to the Port Huron decision and some of that sort of thing which was going on or had gone on by reason of the rulings of the Commission. From 1927 until the year 1948 it was not only the position of the Commission but the decision of the courts, at least in the one instance, the Sorenson case in Nebraska where the question of liability of a radio station for statements made in a political broadcast was fixed, that the station exercised the right to eliminate defamatory or obscene language from the script of a political broadcaster.

In 1948 the Federal Communications Commission made a decision which completely upset the long-existing law that had been recognized by everyone, and by those who were candidates for political office who used the radio station or the broadcasters themselves; namely, that the radio station would exercise censorship. In practically every jurisdiction they were responsible, the radio station as well as the speaker, for defamatory statements.

In 1948 the Port Huron decision came out of the Federal Communications Commission which completely upset that which had been traditional, in that the Federal Communications Commission held that the station or the broadcaster had no power of censorship over any matter, defamatory or otherwise, in a political speech. This was a completely shocking decision from the viewpoint of consideration of all the factors involved and has since kept the broadcasting industry on the horns of a dilemma.

On the one hand, the broadcasters are liable for defamatory statements which may be made over their facilities. If they delete that which they consider defamatory under the Federal Communications Commission ruling in the Port Huron case they are subject to having their license revoked by the Federal Communications Commission. My colleague from Washington [Mr. HORAN] has offered a bill which would give the whitewash brush to the radio station or the television station. It would provide that no station shall be responsible for any statements made in a political broadcast.

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

Mr. O'HARA. I yield to the gentleman from Washington.

Mr. HORAN. You have to distinguish between the two, what is politically partisan and what is defamatory.

Mr. O'HARA. I realize that is the difficulty the broadcaster is in; but, on the other hand, he is going to go one road or the other.

Mr. HORAN. I like the dilemma part of it because he would find himself between the courts and the FCC.

Mr. O'HARA. I have a bill which would cure that. I will give the station the power to censor. I think it should have it. Up to 1948 every radio station in the country exercised the right of censorship over any political speech that was made containing defamatory or obscene matters, and not until the Port Huron decision in 1948 did anybody ever claim they did not have that right; until the Federal Communications Commission, as the result of the action of two Commissioners who wrote that opinion. The Federal Communications Commission has been blowing hot and cold ever since as to what it meant.

Now, I intend to offer an amendment which will, in plain language, say that in a political broadcast the radio station shall exercise the right of censorship as to defamatory or obscene matters in the script; it shall have the right to delete it.

After all, in the old days, when a man stood down on the street corner and made a political speech, and he said something that was defamatory, that was slanderous, it was only to a small group that that statement was made. Do not get the idea that there is just the radio station involved and a political candidate or political candidates. The vicious individual who turns loose in a radio broadcast, under the guise of political expediency, can ruin the family of the candidate or can ruin the lives and the families and the reputation of perfectly innocent people.

On three different occasions in the history of radio legislation the Congress of the United States has refused to give the exemption of liability to radio, and rightfully so; this great, tremendous instrumentality that enters into 50,000,000

to 75,000,000 American homes. This instrumentality that is in the business of selling radio time and political time should also take some responsibility, because so often the vicious character assassins who may attempt in a political campaign to ruin someone's reputation may not be worth a dime, so far as civil liability is concerned. However, that radio station must treat both sides alike and give both of them time. That is provided for in my amendment. But, if they are going to permit broadcasts, then they are going to have to assume also some of the liability and some of the responsibility of controlling the vicious types of statements that are made that are defamatory or obscene.

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

Mr. O'HARA. I yield to the gentleman from Ohio.

Mr. VORYS. How would the gentleman's amendment operate in case of a radio forum or debate or question and answer period where obviously the material could not be submitted in advance, or would the gentleman's amendment eliminate the possibility of that sort of thing?

Mr. O'HARA. No; it would not eliminate it. On the other hand, that is a responsibility the station would have to take when it takes on that sort of program. I want to say frankly that just because it is a round table discussion does not mean that the station would not be liable for defamatory statements that were made over it. It is true there would be a different defense to that if they were completely surprised by the statement that was made by the individual on such a broadcast. You would not have the right to censor the script because there would not be any script, but that is one of the responsibilities they would have to take. As a matter of fact, I do not know how you could write any bill to take care of that. I do not think the amendment of the gentleman from Washington [Mr. HORAN], would cover that, nor mine. I do not see how you could write one.

Mr. HORAN. My bill would eliminate his liability.

Mr. O'HARA. Yes; the gentleman would eliminate all liability on the part of the station.

Mr. HORAN. And place it on the guilty party, who was the individual who uttered the libelous words.

Mr. O'HARA. Yes. He is also liable under my bill, too. Do not worry about that.

Mr. HARRIS. The gentleman does recognize that some action should be taken on this immediate problem?

Mr. O'HARA. I say it is a problem on which action should be taken. I intend to offer my amendment and the gentleman from Washington [Mr. HORAN], will offer his, and we will then have the horns of the dilemma presented for you to decide.

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

Mr. O'HARA. I yield to the gentleman from Michigan.

Mr. MEADER. I was intrigued by the gentleman's statement that surprise might be a defense made by the radio station. I am not familiar with that type of defense to a libel action.

Mr. O'HARA. I think it would make a difference as to whether they had an opportunity to know what the person speaking was going to say.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Chairman, I really take a great deal of pleasure in supporting this bill. Now and then a bill comes out of the Committee on Interstate and Foreign Commerce about which I have some qualifications or misgivings, but this is a good one. The committee has worked extraordinarily hard on it and has devoted a great deal of time, not only to the hearings, which take up four-hundred-odd pages, but to the consideration of the bill line by line, comma by comma, semicolon by semicolon, in executive session. I question gravely whether any Member of the House will be ingenious enough to suggest an amendment which has not had at least some consideration in the committee, if not in respect to the exact words which may be offered at least in respect to the principle.

I myself, I may say, gave a lot of thought in committee to the problem of the term of the license and as to what happens when a license expires and is up for renewal. I think there is a great deal to be said for granting licenses for an indeterminate period so that the Commission and its staff do not have to waste an enormous amount of time going over renewals, as to which generally there is really no serious question.

Of course, if a license failed of renewal for some trivial or capricious reason, it would be a very grave injustice to the license holder.

I regret to say it was not possible to work out any provision in the bill for indeterminate licenses which met all the objections which could be urged, so we were obliged to stay with the license for a specific term of years.

As the report specifies, the bill contains amendments to the act calculated to improve the organizational set-up and administrative functioning of the Commission. Unfortunately, the members of the Commission were not all in accord on what it would be desirable to do in this connection. From my experience here with administrative commissions, many of which have occasion to come before our committee from time to time, unanimity of opinion is decidedly the exception and not the rule.

The committee did make a very faithful and conscientious effort to give due weight to every point of view which could be found on the Commission.

There are some members of what is called the Federal Communications Bar, that is, members of the District of Columbia Bar who appear frequently before the Commission, who have the feeling that the decisions by the Commission are not based entirely upon the evidence presented to the Commission and the law; but are influenced by extrinsic considerations and particularly by private urgings on the part of members of the Commission's staff. I, myself, thought that was a very serious situation. We ought to have a situation such that anybody who appears before the Commission should have confidence that his case will be decided upon the evidence that is actually presented of record. I believe we have greatly ameliorated the provisions of the present law in that respect.

Then, we have added amendments giving the Commission new administrative powers which can be used to secure compliance by holders of construction permits or station licenses. The only power now possessed by the Commission is to revoke licenses, and that is too severe a penalty in most cases.

I call the attention of the Committee of the Whole to what appears on pages 21 and 22 of the committee report, which shows the manner in which we have modified the provisions of the Senate bill. To all of those modifications, our committee gave very extensive considerations, and I think the committee has done nothing without very good cause shown. I certainly hope that nobody will feel impelled to want this bill recommitted because, if it is recommitted, it will put the Committee on Interstate and Foreign Commerce out of business for a long time. This I should very much regret because we have a lot of other legislation before us on which I want to make progress.

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

Mr. HARRIS. Mr. Chairman, we do not have any further requests for time.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. DOLLIVER].

Mr. DOLLIVER. Mr. Chairman, I propose to use the time as allotted to me, not particularly in the discussion of the details of this bill, but in discussing with you the general complexities of the whole broadcasting industry.

I can well remember when broadcasting was in its infancy. I see some others in this Chamber who appear to be as old as I am, and who likewise doubtless remember back to the days of the early nineteen twenties when we used ear muffs and tried to get remote and distant stations. Those are the days of unrestricted broadcasting. There was no limitation whatsoever on anybody.

Any person could set up a broadcasting station and start shooting the air full of music or sound or anything he wanted to. He could choose any wave length that he wanted.

But before long it became obvious that that kind of system would not work. Because of the very scientific basis of broadcasting and radio waves, that kind of free system absolutely would not operate successfully. The fact is there are just a certain number of wave lengths that can be used in the radio industry. In fact, some of the mysteries of radio broadcasting have baffled even the most skilled engineers in the field. They have not completely explored all the scientific intricacies of what goes on when a radio wave is sent forth to carry some kind of message on its wings.

So, when that period of unrestricted broadcasting was going on, the industry

iself, those who were engaged in it and who were trying in a feeble way to make a living out of it, finally came to the Congress and said, "Something must be done about this, because there never can be an industry erected upon a scientific basis of sending out human intelligence over the air waves unless there is some regulation to it."

Congress was called upon to do something about it. Obviously, the Congress was the only legislative body that could do anything about it. You could not go to a county board of supervisors or a city council or even a State legislature, because these waves of the ether pay no attention to political boundaries. So they had to come to Congress, and the Congress was requested to act in this field.

I suppose it might have been possible for the Congress itself to have allocated these various wave lengths to the various applicants. They could have done it by a series of private bills. We do have private bills in this House, as all of you know. Congress could have established a system of assigning certain wave lengths to a certain applicant by a private bill. But that was a cumbersome way to do it.

So back in the late nineteen twenties at the request of the industry, and with the acquiescence of everybody who knew anything about the industry, the Radio Commission was established. Its first duty was the assignment of allocation of various wave lengths to broadcasters.

The first interest to be served in such allocation was the public interest. The legal concept was that the ether waves used for sending out these messages over the air belonged not to any individual who might perchance have preempted it, but belonged to the public itself.

That is a very important concept of all this legislation that we have concerning radio, namely, that the electrical waves that serve as this medium of communication belong not to the individual who uses them as a broadcaster but belong to the public. It is the public interest, necessity, and convenience that is to be served. That concept, Mr. Chairman, is the basis of this legislation.

There has not been a revision of the communications law as it affects radio for more than a decade. In the interval great changes have taken place, both scientifically and economically, and legally, which necessitate at this time another look by Congress and a revision of the Communications Act as it affects the radio industry. Having sat through the hearings on this bill and having participated actively in the lengthy executive hearings which we held to perfect this legislation, I earnestly and heartily recommend this legislation to you. Every line, every paragraph, the whole bill itself was carefully and meticulously considered by the Committee on Interstate and Foreign Commerce. I hope the bill will be passed without any crippling amendment.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Chairman, I take this time merely to point out to the Members of the House that we have three possibilities here: The first one is existing law, and I would like to read into the RECORD, if I may, section 315 which deals with facilities for candidates for public office; that is part of the question before us:

SEC. 315. If any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station he shall afford equal opportunities to all other such candidates for that purpose in the use of such broadcasting station, and the Commission shall make rules and regulations to carry this provision into effect;

Provided, That such licensee shall have no power of censorship over the material broadcast under the provisions of this section—

That is the thing that was involved in a decision of 1948—

Provided further, That such licensee shall have no power of censorship over the material broadcast under the provisions of this section.

No obligation is hereby imposed upon any licensee to allow the use of its station by any such candidate; it is a completely confusing, conflicting, and contradictory section as it now stands.

My colleague, the distinguished gentleman from Minnesota [Mr. O'HARA] proposes to offer an amendment when the bill is read under the 5-minute rule which will take care of censorship, but it will exempt from all censorship by the radio station of partisan or political matters.

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

Mr. HORAN. I yield.

Mr. DONDERO. Suppose the material were libelous?

Mr. HORAN. The bill does not involve censorship to that extent. If it is obscene, or libelous, or otherwise, the station may censor it, but the trouble would come in the matter of deciding what was partisan or political, because most defamatory statements would come in political broadcasts. The result would be that the radio station would find itself between the courts and the FCC.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. HORAN. Surely.

Mr. O'HARA. Does the gentleman think the Congress could pass an act which would amend and change the police powers of the States as affecting libel or slander?

Mr. HORAN. I am not sure about that, but I do know that you have interstate, even national broadcasts which come within the purview of the National Government in the matter of the morals concerned in any such broadcast; and I believe that we will have to make a final, factual, and statutory determination one way or the other after considerable study until we can answer that question authoritatively, and that is a matter with which the gentleman's committee must deal.

We must do what we can to clarify the status of radio stations. Some of them are going to refuse to carry political broadcasts, or so they tell me, if this matter is not clarified. I would simply relieve them of a lot of that liability, which should be the individuals, so they could feel free to go ahead.

The bill is going to be read for amendment in a few minutes and you are going to vote for the amendment to be offered by the gentleman from Minnesota, and either carry it or you are going to defeat it; you are going to vote for my amendment, carry it or defeat it; but something must be done to correct what is generally considered to be an intolerable situation in the present Communications Act of 1934. We should keep in mind that whatever we do here we will have to finally meet this problem in some succeeding session of the Congress.

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

Mr. HORAN. I yield to the gentleman from Arkansas.

Mr. HARRIS. Is it the gentleman's intention to offer his bill, H. R. 7062?

Mr. HORAN. That is correct.

Mr. HARRIS. With an additional amendment?

Mr. HORAN. Yes, one proposed by the majority leader [Mr. MCCORMACK].

Mr. HARRIS. That is, providing that the price of political broadcasts shall not be higher than the regular commercial rates?

Mr. HORAN. Yes. I have been informed privately that the reason they have a double rate for political broadcasts is because of the liability feature.

Mr. HARRIS. I am trying to get clear what the gentleman proposes to offer. I understood he had two bills.

Mr. HORAN. Let me explain why I am here, although I am not a member of the Interstate and Foreign Commerce Committee. I want to make this very clear. I introduced my first bill, H. R. 5470, on September 25 last. That was later revised and two important changes were made at the beginning of the present session. I reintroduced the bill again in March of this year.

Mr. HARRIS. That is H. R. 7062?

Mr. HORAN. Yes.

Mr. HARRIS. Which the gentleman proposes as a substitute for the amendment that will be offered by the gentleman from Minnesota [Mr. O'HARA]?

Mr. HORAN. That is what I anticipate.

Mr. HARRIS. With the inclusion of the amendment suggested by the majority leader [Mr. MCCORMACK]?

Mr. HORAN. That is correct.

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

Mr. HARRIS. Mr. Chairman, I yield the gentleman three additional minutes.

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

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

Mr. McCORMACK. There is a sharp issue drawn between the amendment that the gentleman will offer and the amendment to be offered by the gentleman from Minnesota. I have considered both of them. It seems to me that the principle involved in the amendment that my friend who has the floor will offer is a sound one, not that the other is unsound. However, there are two schools of thought; there is a sharp division on the issue. It seems to me that our speeches should not be censored by any station. I recognize that there are some who will make statements that

should not be made; on the other hand, to permit censorship of speeches is rather far-reaching. We all know there is a twilight zone. What one station might think is libelous another station might not. Furthermore, partisan considerations might enter into the interpretation or the evaluation of a speech as to whether or not it is libelous.

I feel also that the stations themselves should not be liable. They are more or less in an innocent bystander position. They are operating under a license. As a matter of fact, no station can stop me from shooting in something if I want to get it in. They can cut me off, but I can get it in before they cut me off. The question of libel is one that concerns a very small percentage of those who might be candidates for public office. As I stated, it seems to me that the station itself is in more or less of an innocent bystander position and that the station should be removed from being liable for certain statements. The person who makes them is liable. Why the station is made liable is hard for me to understand. If that follows, then the other proposition follows that there should not be censorship.

Also, there should not be two different sets of rates. A political party or an individual during a political campaign should not be required to pay more for a political speech than commercial interests over the same station. It seems to me this is something that should concern each and every one of us as individuals. If we are going to do something about the matter now is the time to do it, because it is going to be difficult after a bill of this kind is enacted into law to correct the situation.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Minnesota.

Mr. O'HARA. I call attention to the fact that up until 1948, the time of the Port Huron decision, every radio station in the country exercised censorship and still has the right to do so in deleting not partisan or political matter but defamatory, libelous, slanderous, or obscene matters.

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

Mr. HORAN. I yield.

Mr. McCORMACK. This amendment confines itself, as I understand it, to political speeches.

Mr. HORAN. And to section 315, which I read into the RECORD.

Mr. McCORMACK. What the gentleman said is true. I have always resented that. I remember back a few years ago when a Boston radio station came to Members of the House, of both parties, and asked them to make some kind of a report each week on the doings here in Washington. I said that I would participate, and after the second or third week of my utterances the man in charge of the radio station came to me and said that there had been complaint made that some of my utterances were political in nature. Well, I will be frank to say they might have been. Whether I intended them to be or not, I do not know now, and I simply said to him, "Rather than subject my remarks to censorship, and I appreciate very much your invitation, I shall not exercise the privilege any more." He wanted me to continue, but I told him I would not continue under any form of censorship of my remarks. That is one reason why I have never accepted an honorarium in all my years of public life, from any group I spoke to, because they might expect me, if I accepted an honorarium, to say something to please them. I wanted complete freedom of expressing my thoughts. Now I do not object to anyone accepting an honorarium, because they have a right to. But as far as this particular incident was concerned, I had no dispute with the station, but I exercised my individual rights and I refused to continue those broadcasts, because I was not going to be subjected to criticism or censorship on a matter of that kind, in a field of that kind, in the United States of America.

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

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as "Communications Act Amendments, 1951."

SEC. 2. Subsection (o) of section 3 of the Communications Act of 1934, as amended, is amended to read as follows:

"(o) 'Broadcasting' means the dissemination of radio communications intended to be received directly by the general public."

SEC. 3. Section 3 of such act is further amended by adding after subsection (aa) the following:

"(bb) The term 'license,' 'station license,' or 'radio station license' means that instrument of authorization required by this act or the rules and regulations of the Commissioner made pursuant to this act, for the use or operation of apparatus for transmission of energy, or communications, or signals by radio, by whatever name the instrument may be designated by the Commission.

"(cc) The term 'broadcast station,' 'broadcasting station,' or 'radio broadcast station' means a radio station equipped to engage in broadcasting as herein defined.

"(dd) The term 'construction permit' or 'permit for construction' means that instrument of authorization required by this act or the rules and regulations of the Commission made pursuant to this act for the installation of apparatus for the transmission of energy, or communications, or signals by radio, by whatever name the instrument may be designated by the Commission."

SEC. 4. (a) Subsection (b) of section 4 of such act, as amended, is amended by striking out the last two sentences thereof and inserting in lieu thereof the following: "Such Commissioners shall not engage in any other business, vocation, profession, or employment but this shall not apply to the preparation of technical or professional publications for which reasonable honorarium or compensation may be paid. Any such Commissioner serving as such after 1 year from the date of enactment of the Communications Act Amendments, 1951, shall not for a period of 1 year following the termination of his services as a Commissioner represent before the Commission in a professional capacity any person, including all persons under common control, subject to the provisions of this act, except that this restriction shall not apply to any Commissioner who has served the full term for which he was appointed. Not more than four members of the Commission shall be members of the same political party."

(b) Subsection (f) (1) of section 4 of such act is amended to read as follows:

"(f) (1) Without regard to the civil service laws or the Classification Act of 1949, as amended, (1) the Commission may appoint and prescribe the duties and fix the salaries of a secretary, a chief engineer and not more than two assistants, a chief accountant and not more than two assistants, a general counsel and not more than two assistants, and counsel temporarily employed and designated by the Commission for the performance of specific special services; and (2) each Commissioner may appoint and prescribe the duties of a legal assistant at an annual salary to be fixed by the Commissioner but not to exceed $10,000 and a secretary at an annual salary not to exceed $5,600. The chief engineer, the chief accountant, and the general counsel shall each receive an annual salary of not to exceed $11,200; the secretary shall receive an annual salary of not to exceed $10,000, and no assistant shall receive an annual salary in excess of $10,000: *Provided*, That on and after 1 year from the date of enactment of Communications Act Amendments, 1951, the secretary of the Commission, the chief engineer and his assistants, the chief accountant and his assistants, the general counsel and his assistants, the chief of each integrated division and his assistant, and the legal assistants to each Commissioner shall not, for the period of 1 year next following the cessation of their employment with the Commission, represent before the Commission in a professional capacity any person, including all persons under common control, subject to the provisions of this act. The Commission shall have authority, subject to the provisions of the civil service laws and the Classification Act of 1949, as amended, to appoint such other officers, engineers, accountants attorneys, inspectors, examiners, and other employees as are necessary in the execution of its functions."

(c) The first sentence of subsection (g) of section 4 of such act, as amended, is amended to read as follows:

"(g) The Commission may make such expenditures (including expenditures for rent and personal services at the seat of government and elsewhere, for office supplies, law books, periodicals, and books of reference, for printing and binding, for land for use as sites for radio monitoring stations and related facilities, including living quarters where necessary in remote areas, for the construction of such stations and facilities, and for the improvement, furnishing, equipping, and repairing of such stations and facilities and of laboratories and other related facilities (including construction of minor subsidiary buildings and structures not exceeding $25,000 in any one instance) used in connection with technical research activities), as may be necessary for the execution of the functions vested in the Commission and as from time to time may be appropriated for by Congress."

(d) Subsection (k) of section 4 of such act is amended to read as follows:

"(k) The Commission shall make an annual report to Congress, copies of which shall be distributed as are other reports transmitted to Congress. Such reports shall contain—

"(1) such information and data collected by the Commission as may be considered of value in the determination of questions connected with the regulation of interstate and foreign wire and radio communication and radio transmission of energy.

"(2) such information and data concerning the functioning of the Commission as will be of value to Congress in appraising the amount and character of the work and accomplishments of the Commission and the adequacy of its staff and equipment: *Provided*, That the first and second annual reports following the date of enactment of Communications Act Amendments, 1951,

shall set forth in detail the number and caption of pending applications requesting approval of transfer of control or assignment of a station license, or construction permits for new stations, or for increases in power, or for changes of frequency of existing stations at the beginning and end of the period covered by such reports;

"(3) information with respect to all persons taken into the employment of the Commission during the year covered by the report, including names, pertinent biographical data and experience, Commission positions held and compensation paid, together with the names of those persons who have left the employ of the Commission during such year: *Provided,* That the first annual report following the date of enactment of Communications Act Amendments, 1951, shall contain such information with respect to all persons in the employ of the Commission at the close of the year for which the report is made;

"(4) an itemized statement of all funds expended during the preceding year by the Commission, of the sources of such funds, and of the authority in this act or elsewhere under which such expenditures were made; and

"(5) specific recommendations to Congress as to additional legislation which the Commission deems necessary or desirable, including all legislative proposals submitted for approval to the Director of the Budget."

SEC. 5. Section 5 of such act, as amended, is amended to read as follows:

"ORGANIZATION OF THE COMMISSION

"SEC. 5. (a) The member of the Commission designated by the President as Chairman shall be the chief executive officer of the Commission. It shall be his duty to preside at all meetings and sessions of the Commission, to represent the Commission in all matters relating to legislation and legislative reports except that any Commissioner may present his own or minority views or supplemental reports, to represent the Commission in all matters requiring conferences or communications with other governmental officers, departments or agencies, and generally to coordinate and organize the work of the Commission in such manner as to promote prompt and efficient disposition of all matters within the jurisdiction of the Commission. In the case of a vacancy in the office of the Chairman of the Commission, or the absence or inability of the Chairman to serve, the Commission may temporarily designate and appoint one of its members to act as Chairman until the cause or circumstance requiring such service shall have been eliminated or corrected.

"(b) Within 60 days after the enactment of the Communications Act amendments, 1951, and from time to time thereafter as the Commission may find necessary, the Commission shall organize its legal, engineering, and accounting staff into (1) integrated divisions, to function on the basis of the Commission's principal workload operations; and (2) into such other divisional organizations as the Commission may deem necessary to handle that part of its workload which cuts across more than one integrated division or which does not lend itself to the integrated division set-up. Each such integrated division and divisional organization shall include such legal, engineering, accounting, administrative, and clerical personnel as the Commission may determine to be necessary to perform its functions. The general counsel, the chief engineer, and the chief accountant and their respective assistants shall carry out their respective duties under such rules and regulations as the Commission may prescribe. The Commission shall establish a staff, directly responsible to it, which shall include such legal, engineering, and accounting personnel as the Commission deems necessary, whose duty shall be to prepare such drafts of Commission decisions, orders, and other memoranda as the Commission, in the exercise of its quasi judicial duties, may from time to time direct: *Provided,* That no member of such staff shall participate in a hearing or represent the Commission directly or indirectly, in any prosecutory or investigatory function or proceeding.

"(c) Except as provided in section 409 hereof, the Commission, when necessary to the proper functioning of the Commission and the prompt and orderly conduct of its business, is hereby authorized and directed to assign or refer any portion of its work, business, or functions to an individual Commissioner or Commissioners or to a board composed of one or more employees of the Commission, to be designated by such order for action thereon, and by its further order at any time to amend, modify, or rescind any such order or reference: *Provided,* That this authority shall not extend to duties otherwise specifically imposed by this or any other act of Congress. Any order, decision, or report made or other action taken pursuant to any such order or reference shall have the same force and effect and may be made, evidenced, and enforced as is made by the Commission: *Provided, however,* That any person aggrieved by any such order, decision, or report may file a petition for review by the Commission, and every such petition shall be passed upon by the Commission. The Secretary and seal of the Commission shall be the secretary and seal of such individual Commissioner or board.

"(d) Meetings of the Commission shall be held at regular intervals, not less frequently than once each calendar month, at which times the functioning of the Commission and the handling of its work load shall be reviewed and such orders shall be entered and other action taken as may be necessary or appropriate to expedite the prompt and orderly conduct of the business of the Commission with the objective of rendering a final decision (1) within 3 months from the date of filing in all original application, renewal, and transfer cases and (2) within 6 months from the final date of the hearing in all hearing cases; and the Commission shall promptly report to the Congress each such case which has been pending before it more than such 3- or 6-month period, respectively, stating the reasons therefor."

SEC. 6. Subsection (d) of section 307 of such act is amended to read as follows:

"(d) No license granted for the operation of a broadcasting station shall be for a longer term than 3 years and no license so granted for any other class of station shall be for a longer term than 5 years, and any license granted may be revoked as hereinafter provided. Upon the expiration of any license, upon application therefor, a renewal of such license may be granted from time to time for a term of not to exceed 3 years in the case of broadcasting licenses and not to exceed 5 years in the case of other licenses if the Commission finds that public interest, convenience and necessity would be served thereby."

SEC. 7. So much of subsection (a) of section 308 of such act as precedes the second proviso is amended to read as follows: "The Commission may grant instruments of authorization entitling the holders thereof to construct or operate apparatus for the transmission of energy, or communications, or signals by radio or modifications or renewals thereof, only upon written application therefor received by it: *Provided,* That (1) in cases of emergency found by the Commission involving danger to life or property or due to damage to equipment, or (2) during a national emergency proclaimed by the President or declared by the Congress and during the continuance of any war in which the United States is engaged and when such action is necessary for the national defense or security or otherwise in furtherance of the war effort, the Commission may grant and issue authority to construct or operate apparatus for the transmission of energy or communications or signals by radio during the emergency so found by the Commission or during the continuance of any such national emergency or war, in such manner and upon such terms and conditions as the Commission shall by regulation prescribe, and without the filing of a formal application, but no such authority shall be granted for a period beyond the period of the emergency requiring it nor remain effective beyond such period:".

SEC. 8. Section 309 of such act, as amended, is amended to read as follows:

"HEARINGS ON APPLICATIONS FOR LICENSES; FORM OF LICENSES; CONDITIONS ATTACHED TO LICENSES

"SEC. 309. (a) If upon examination of any application provided for in section 308 the Commission shall determine that public interest, convenience, and necessity would be served by the granting thereof, it shall authorize the issuance of the instrument of authorization for which application is made in accordance with said finding.

"(b) If upon examination of any such application the Commission is unable to make the finding specified in subsection (a) of this section, it shall forthwith notify the applicant and other known parties in interest of the grounds and reasons for its inability to make such finding. Such notice, which shall precede formal designation for a hearing, shall advise the applicant and all other known parties in interest of all objections made to the application as well as the source and nature of such objections. Following such notice, the applicant shall be given an opportunity to reply. If the Commission, after considering such reply, shall be unable to make the finding specified in subsection (a) of this section, it shall formally designate the application for hearing on the grounds or reasons then obtaining and shall notify the applicant and all other known parties in interest of such action and the grounds and reasons therefor, specifying with particularity the matters and things in issue but not including issues or requirements phrased generally. The parties in interest, if any, who are not notified by the Commission of its action with respect to a particular application may acquire the status of a party to the proceeding thereon by filing a petition for intervention showing the basis for their interest at any time not less than 10 days prior to the date of hearing. Any hearing subsequently held upon such application shall be a full hearing in which the applicant and all other parties in interest shall be permitted to participate but in which both the burden of proceeding with the introduction of evidence upon any issue specified by the Commission, as well as the burden of proof upon all such issues, shall be upon the applicant.

"(c) When any instrument of authorization is granted by the Commission without a hearing as provided in subsection (a) hereof, such grant shall remain subject to protest as hereinafter provided for a period of 30 days. During such 30-day period any party in interest may file a protest under oath directed to such grant and request a hearing on said application so granted. Any protest so filed shall contain such allegations of fact as will show the protestant to be a party in interest and shall specify with particularity the facts, matters, and things relied upon, but shall not include issues or allegations phrased generally. The Commission shall, within 15 days from the date of the filing of such protest, enter findings as to whether such protest meets the foregoing requirements and if it so finds the application involved shall be set for hearing upon the issues set forth in said protest, together with such further specific issues, if any, as may

be prescribed by the Commission. In any hearing subsequently held upon such application all issues specified by the Commission shall be tried in the same manner provided in subsection (b) hereof but with respect of all issues set forth in the protest and not specifically adopted by the Commission, both the burden of proceeding with the introduction of evidence and the burden of proof shall be upon the protestant. The hearing and determination of cases arising under this subsection shall be expedited by the Commission and pending hearing and decision the effective date of the Commission's action to which protest is made shall be postponed to the effective date of the Commission's decision after hearing, unless the authorization involved is necessary to the maintenance or conduct of an existing service, in which event the Commission shall authorize the applicant to utilize the facilities or authorization in question pending the Commission's decision after hearing.

"(d) Such station licenses as the Commission may grant shall be in such general form as it may prescribe, but each license shall contain, in addition to other provisions, a statement of the following conditions to which such license shall be subject: (1) The station license shall not vest in the licensee any right to operate the station nor any right in the use of the frequencies designated in the license beyond the term thereof nor in any other manner than authorized therein; (2) neither the license nor the right granted thereunder shall be assigned or otherwise transferred in violation of this act; (3) every license issued under this act shall be subject in terms to the right of use or control conferred by section 606 hereof."

SEC. 9. Subsection (b) of section 310 of said act is amended to read as follows:

"(b) No instrument of authorization granted by the Commission entitling the holder thereof to construct or to operate radio apparatus and no rights granted thereunder shall be transferred, assigned, or disposed of in any manner, voluntarily or involuntarily, directly or indirectly, or by transfer of control of any corporation holding such instrument of authorization, to any person except upon application to the Commission and upon finding by the Commission that the proposed transferee or assignee possesses the qualifications required of an original permittee or licensee. The procedure for handling such application shall be that provided in section 309."

SEC. 10. Section 311 of such act, as amended, is amended to read as follows:

"SEC. 311. The Commission is hereby directed to refuse a station license and/or the permit hereinafter required for the construction of a station to any person (or to any person directly or indirectly controlled by such person) whose license has been revoked by a court under section 313."

SEC. 11. Section 312 of such act, as amended, is amended to read as follows:

"REVOCATION OF LICENSES; CEASE-AND-DESIST ORDERS

"SEC. 312. (a) Any station license may be revoked (1) because of conditions coming to the attention of the Commission since the granting of such license which would have warranted the Commission in refusing to grant such license, or (2) for violation or failure to observe any of the restrictions or provisions of a treaty ratified by the United States, or (3) for violation of or failure to observe the terms and conditions of any cease-and-desist order issued by the Commission pursuant to subsection (b) hereof. The Commission may institute a revocation proceeding by serving upon the licensee an order to show cause why its license should not be revoked. Said orders shall contain a statement of the particulars and matters with respect to which the Commission is inquiring and shall call upon the licensee to appear before the Commission at a time and place therein stated, but in no event less than 30 days after receipt of such notice, and give evidence upon the matter specified in said order: *Provided*, That where safety of life or property is involved, the Commission may by order provide for a shorter period of notice. If, after hearing, or a waiver thereof by the licensee, the Commission determines that a revocation order should issue, it shall make a report in writing stating the findings of the Commission and the grounds and reasons therefor and shall cause the same to be served on said licensee, together with such order.

"(b) Where any person (1) has failed to operate substantially as set forth in an instrument of authorization, or (2) has failed to observe any of the restrictions and conditions of this act or of a treaty ratified by the United States, or (3) has violated or failed to observe any rule or regulation of the Commission authorized by this act, the Commission may institute a proceeding by serving upon such person an order to show cause why it should not cease and desist from such action. Said order shall contain a statement of the particulars and matters with respect to which the Commission is inquiring and shall call upon such person to appear before the Commission at a time and place therein stated, but in no event less than 30 days after receipt of such notice, and give evidence upon the matter specified in said order. If, after hearing, or a waiver thereof by such person, the Commission determines that a cease-and-desist order should be issued, it shall make a report in writing stating the findings of the Commission and the grounds and reasons therefor and shall cause the same to be served on said person, together with such order."

SEC. 12. Part I of title III of such act is amended by adding the following new section:

"MODIFICATION BY COMMISSION OF CONSTRUCTION PERMITS OR LICENSES

"SEC. 330. (a) Any station license granted under the provisions of this act or the construction permit required thereby may be modified by the Commission either for a limited time or for the duration of the term thereof, if in the judgment of the Commission such action will promote the public interest, convenience, and necessity, or the provisions of this act or of any treaty ratified by the United States will be more fully complied with: *Provided*, That no such order or modification shall become final until the holder of such outstanding license or permit shall have been notified in writing of the proposed action and the grounds and reasons therefor, and shall have been given reasonable opportunity, in no event less than 30 days, to show cause by public hearing, if requested, why such order of modification should not issue: *Provided*, That where safety of life or property is involved, the Commission may by order provide for a shorter period of notice.

"(b) In any case where a hearing is conducted pursuant to the provisions of this section or section 312, both the burden of proceeding with the introduction of evidence and the burden of proof shall be upon the Commission."

SEC. 13. Part I of title III of such act is amended by adding the following new section:

"LIMITATIONS ON QUASI-JUDICIAL POWERS

"SEC. 331. No license granted and issued under the authority of this act for the operation of any radio station shall be modified by the Commission, except in the manner provided in section 330 (a) hereof, and no such license may be revoked, terminated, or otherwise invalidated by the Commission, except in the manner and for the reasons provided in section 312 (a) hereof. When application is made for renewal of an existing license, which cannot be disposed of by the Commission under the provisions of section 309 (a) hereof, the Commission shall employ the procedure specified in section 309 (b) hereof, except that in any hearing subsequently held upon such application the burden of proceeding with the evidence and of substantiating the grounds and reasons specified by the Commission in the formal notice of hearing issued pursuant to section 309 (b) hereof shall be upon the appropriate division established by the Commission under the provisions of section 5 (b) hereof or upon any party or parties who may oppose such renewal; but as a condition precedent to the renewal the Commission shall affirmatively find that the public interest, convenience, and necessity will be served by such renewal. Pending such hearing and final decision pursuant thereto the Commission shall continue such license in effect."

SEC. 14. The heading of section 401 of such act is amended to read:

"JURISDICTION TO ENFORCE ACT AND ORDERS OF COMMISSION; DECLARATORY ORDERS"

and such section is amended by adding at the end thereof a new subsection (e) as follows:

"(e) The Commission is authorized, in its sound discretion and with like effect as in the case of other orders, to issue a declaratory order to terminate a controversy or remove uncertainty. Notwithstanding the provisions of section 5 (d) of the act of June 11, 1946 (60 Stat. 239), declaratory orders shall be issued only upon the petition of, and after notice to and opportunity for hearing by, persons who are bona fide applicants for, or the holders of, construction permits or licenses, or otherwise subject to the jurisdiction of the Commission, and shall not bind or affect the rights of persons who are not parties to such proceedings. Such orders shall be available to declare rights and other legal relations arising under the provisions of any treaty ratified by the United States, under any provision of this act, or under any order, rule, regulation, term, condition, limitation, or requirement issued, promulgated, or adopted by the Commission, whether or not involving failure to comply therewith."

SEC. 15. Section 402 of such act is amended to read as follows:

"SEC. 402. (a) The provisions of the act of June 25, 1948 (62 Stat. 992), as amended, relating to the enforcing or setting aside of orders of the Interstate Commerce Commission are hereby made applicable to suits to enforce, enjoin, set aside, annul, or suspend any order of the Commission under this act (except those appealable under the provisions of subsection (b) hereof), and such suits are hereby authorized to be brought as provided in that act. In addition to the venues specified in that act, suits to enjoin, set aside, annul, or suspend, but not to enforce, any such order of the Commission may also be brought in the United States District Court for the District of Columbia.

"(b) Appeals may be taken from decisions and orders of the Commission to the United States Court of Appeals for the District of Columbia in any of the following cases:

"(1) By any applicant for any instrument of authorization required by this act, or the regulations of the Commission made pursuant to this act, for the construction or operation of apparatus for the transmission of energy, or communications, or signals by radio, whose application is denied by the Commission.

"(2) By any applicant for the renewal or modification of any such instrument of authorization whose application is denied by the Commission.

"(3) By any party to an application for authority to assign any such instrument of authorization or to transfer control of any corporation holding such instrument of au-

thorization whose application is denied by the Commission.

"(4) By any applicant for the permit required by section 325 of this act whose application has been denied by the Commission or any permittee under said section whose permit has been revoked by the Commission.

"(5) By the holder of any instrument of authorization required by this act, or the regulations of the Commission made pursuant to this act, for the construction or operation of apparatus for the transmission of energy, or communications or signals by radio, which instrument has been modified or revoked by the Commission.

"(6) By any other person who is aggrieved or whose interests are adversely affected by any order of the Commission granting or denying any application described in paragraphs (1), (2), (3), and (4) hereof.

"(7) By any person upon whom an order to cease and desist has been served under section 312 (b) of this act.

"(8) By any party to a proceeding under section 401 who is aggrieved or whose interests are adversely affected by a declaratory order entered by the Commission.

"(9) By any radio operator whose license has been suspended by the Commission.

"(c) Such appeal shall be taken by filing a notice of appeal with the court within 30 days after the entry of the order complained of. Such notice of appeal shall contain a concise statement of the nature of the proceedings as to which the appeal is taken; a concise statement of the reasons on which the appellant intends to rely, separately stated and numbered; and proof of service of a true copy of said notice and statement upon the Commission. Upon filing of such notice, the court shall have exclusive jurisdiction of the proceedings and of the questions determined therein and shall have power, by order, directed to the Commission or any other party to the appeal, to grant such temporary relief as it may deem just and proper. Orders granting temporary relief may be either affirmative or negative in their scope and application so as to permit either the maintenance of the status quo in the matter in which the appeal is taken or the restoration of a position or status terminated or adversely affected by the order appealed from and shall, unless otherwise ordered by the court, be effective pending hearing and determination of said appeal and compliance by the Commission with the final judgment of the court rendered in said appeal.

"(d) Upon the filing of any such notice of appeal the Commission shall, not later than 5 days after the date of service upon it, notify each person shown by the records of the Commission to be interested in said appeal of the filing and pendency of the same and shall thereafter permit any such person to inspect and make copies of said notice and statement of reasons therefor at the office of the Commission in the city of Washington. Within 30 days after the filing of an appeal, the Commission shall file with the court a copy of the order complained of, a full statement in writing of the facts and grounds relied upon by it in support of the order involved upon said appeal, and the originals or certified copies of all papers and evidence presented to and considered by it in entering said order.

"(e) Within 30 days after the filing of an appeal any interested person may intervene and participate in the proceedings had upon said appeal by filing with the court a notice of intention to intervene and a verified statement showing the nature of the interest of such party, together with proof of service of true copies of said notice and statement, both upon appellant and upon the Commission. Any person who would be aggrieved or whose interest would be adversely affected by a reversal or modification of the order of the Commission complained of shall be considered an interested party.

"(f) The record and briefs upon which any such appeal shall be heard and determined by the court shall contain such information and material, and shall be prepared within such time and in such manner as the court may by rule prescribe.

"(g) At the earliest convenient time the court shall hear and determine the appeal upon the record before it in the manner prescribed by section 10 (c) of the Act of June 11, 1946 (60 Stat. 243).

"(h) In the event that the court shall render a decision and enter an order reversing the order of the Commission, it shall remand the case to the Commission to carry out the judgment of the court and it shall be the duty of the Commission, in the absence of the proceedings to review such judgment, to forthwith give effect thereto, and unless otherwise ordered by the court, to do so upon the basis of the proceedings already had and the record upon which said appeal was heard and determined.

"(i) The court may, in its discretion, enter judgment for costs in favor of or against an appellant, or other interested parties intervening in said appeal, but not against the Commission, depending upon the nature of the issues involved upon said appeal and the outcome thereof.

"(j) The court's judgment shall be final, subject, however, to review by the Supreme Court of the United States as hereinafter provided—

"(1) an appeal may be taken direct to the Supreme Court of the United States in any case wherein the jurisdiction of the Court is invoked, or sought to be invoked, for the purpose of reviewing any decision or order entered by the Commission in proceedings instituted by the Commission which have as their object and purpose the revocation of an existing license or any decision or order entered by the Commission in proceedings which involve the failure or refusal of the Commission to renew an existing license. Such appeal shall be taken by the filing of an application therefor or notice thereof within 30 days after the entry of the judgment sought to be reviewed, and in the event such an appeal is taken the record shall be made up and the case docketed in the Supreme Court of the United States within 60 days from the time such an appeal is allowed under such rules as may be prescribed;

"(2) in all other cases, review by the Supreme Court of the United States shall be upon writ of certiorari on petition therefor under section 240 of the Judicial Code, as amended, by the appellant, by the Commission, or by any interested party intervening in the appeal, or by certification by the Court pursuant to the provision of section 239 of the Judicial Code, as amended."

SEC. 16. The heading of section 405 of such act is amended to read:

"REHEARINGS BEFORE COMMISSION

and such section is amended to read as follows:

"SEC. 405. (a) After a decision, order, or requirement has been made by the Commission in any proceeding, any party thereto, or any other person aggrieved or whose interests are adversely affected thereby, may petition for rehearing. Petitions for rehearing must be filed within 30 days from the entry of any decision, order, or requirement complained of and except for those cases in which the decision, order, or requirement challenged is necessary for the maintenance or conduct of an existing service, the filing of such a petition shall automatically stay the effective date thereof until after decision on said petition. The filing of a petition for rehearing shall not be a condition precedent to judicial review of any such decision, order, or requirement, except where the party seeking such review was not a party to the proceedings resulting in such decision, order, or requirement, or where the party seeking such review relies on questions of fact or law upon which the Commission has been afforded no opportunity to pass. Rehearings shall be governed by such general rules as the Commission may establish: *Provided*, That, except for newly discovered evidence or evidence otherwise available only since the original taking of evidence, no evidence shall be taken on any rehearing. The time within which an appeal must be taken under section 402 (b) hereof shall be computed from the date upon which orders are entered disposing of all petitions for rehearing filed in any case, but any decision, order, or requirement made after such rehearing reversing, changing, or modifying the original determination shall be subject to the same provisions with respect to rehearing as an original order."

SEC. 17. Section 409 (a) of such act is amended to read as follows:

"SEC. 409. (a) Notwithstanding the provisions of section 7 (a) of the act of June 11, 1946 (60 Stat. 241), all cases in which a hearing is required by the provisions of this act or by other applicable provisions of law shall be conducted by the Commission or by one or more examiners provided for in section 11 of the act of June 11, 1946 (60 Stat. 244), designat d by the Commission. The officer or officers presiding at any such hearing shall have the same authority and duties exercised in the same manner and subject to the same conditions specified in section 7 of that act.

"(b) Notwithstanding the provisions of section 8 of the act of June 11, 1946 (60 Stat. 242), the officer or officers conducting a hearing shall prepare and file an intermediate report. In all such cases the Commission shall permit the filing of exceptions to such intermediate report by any party to the proceeding and shall, upon request, hear oral argument on such exceptions before the entry of any final decision, order, or requirement. All decisions, including the intermediate report, shall become a part of the record and shall include a statement of (1) findings and conclusions, as well as the basis therefor, upon all material issues of fact, law, or discretion, presented on the record; and (2) the appropriate decision, order, or requirement.

"(c) Notwithstanding the provisions of section 5 (c) of the act of June 11, 1946 (60 Stat. 239), no officer conducting a hearing pursuant to (a) and (b) hereof shall, except to the extent required for the disposition of ex parte matters as authorized by law, consult any person or party on any fact or question of law in issue, unless upon notice and opportunity for all parties to participate; nor shall such officer be responsible to or subject to the supervision or direction of any other person engaged in the performance of investigative, prosecuting, or other functions for the Commission or any other agency of the Government. No person or persons engaged in the performance of investigative or prosecuting functions for the Commission or for any other agency of the Government shall participate or advise in the proceedings described in (a) and (b) hereof, except as a witness or counsel in public proceedings. The Commission shall not employ attorneys or other persons for the purpose of reviewing transcripts or preparing intermediate reports of final decisions, except that this shall not apply to the review staff provided by subsection 5 (b) and to legal assistants assigned separately to a Commission member who may, for such Commission member, review such transcripts and prepare such drafts. No intermediate report shall be reviewed either before or after its publication by any person other than a member of the Commission or his legal assistant, as above provided, and no examiner, who conducts a hearing, shall advise or consult with the Commission with respect to his intermediate

report or with respect to exceptions taken to his findings, rulings, or recommendations."

(b) Subsections (b), (c), (d), (e), (f), (g), (h), (i), and (j) of section 409 are amended to read subsections (d), (e), (f), (g), (h), (i), (j), (k), and (l), respectively.

SEC. 18. Section 414 of such act is amended by adding at the end thereof the following: "Except as specifically provided in this act the provisions of the act of June 11, 1946 (60 Stat. 237) shall apply in all proceedings under this act."

SEC. 19. Chapter 63 of the Criminal Code, title 18, is amended by inserting a new section as follows:

"FRAUD BY RADIO

"SEC. 1343. Whoever, having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises, shall transmit or cause to be transmitted by means of radio communication or interstate wire communication, any writings, signs, signals, pictures, or sounds for the purpose of executing such scheme or artifice, or whoever operating any radio station for which a license is required by any law of the United States, knowingly permits the transmission of any such communication, shall be fined not more than $10,000 or imprisoned not more than 5 years, or both."

SEC. 20. If any provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

With the following committee amendment:

Strike out all after the enacting clause and insert "That this act may be cited as the 'Communications Act Amendments, 1952.'

"SEC. 2. Paragraph (o) of section 3 of the Communications Act of 1934, as amended, is amended to read as follows:

"'(o) "Broadcasting" means the dissemination of radio communications intended to be received directly by the public.'

"SEC. 3. Section 3 of such act is amended by adding after subsection (aa) the following:

"'(bb) "Station license," "radio station license," or "license" means that instrument of authorization required by this act or the rules and regulations of the Commission made pursuant to this act, for the use or operation of apparatus for transmission of energy, or communications, or signals by radio, by whatever name the instrument may be designated by the Commission.

"'(cc) "Broadcast station," "broadcasting station," or "radio broadcast station" means a radio station equipped to engage in broadcasting as herein defined.

"'(dd) "Construction permit" or "permit for construction" means that instrument of authorization required by this act or the rules and regulations of the Commission made pursuant to this act for the construction of a station, or the installation of apparatus, for the transmission of energy, or communications, or signals by radio, by whatever name the instrument may be designated by the Commission.'

"SEC. 4. (a) Subsection (b) of section 4 of such act is amended by striking out the last two sentences thereof and inserting in lieu of such sentences the following: 'Such Commissioners shall not engage in any other business, vocation, profession, or employment; but this shall not apply to the preparation of technical or professional publications for which a reasonable honorarium or compensation may be accepted. Not more than four members of the Commission shall be members of the same political party.'

"(b) Paragraph (2) of subsection (f) of section 4 of such act is amended by striking out '(2)' and inserting in lieu thereof '(3)' ; and such subsection (f) is further amended by striking out paragraph (1) thereof and inserting in lieu of such paragraph the following paragraphs:

"'(f) (1) The Commission shall have authority, subject to the provisions of the civil-service laws and the Classification Act of 1949, as amended, to appoint such officers, engineers, accountants, attorneys, inspectors, examiners, and other employees as are necessary in the exercise of its functions.

"'(2) Without regard to the civil-service laws, but subject to the Classification Act of 1949, each Commissioner may appoint and fix the compensation of a professional assistant who shall perform such duties as such Commissioner shall direct.'

"(c) The first sentence of subsection (g) of section 4 of such act is amended to read as follows: 'The Commission may make such expenditures (including expenditures for rent and personal services at the seat of government and elsewhere, for office supplies, law books, periodicals, and books of reference, for printing and binding, for land for use as sites for radio monitoring stations and related facilities, including living quarters where necessary in remote areas, for the construction of such stations and facilities, and for the improvement, furnishing, equipping, and repairing of such stations and facilities and of laboratories and other related facilities (including construction of minor subsidiary buildings and structures not exceeding $25,000 in any one instance) used in connection with technical research activities), as may be necessary for the execution of the functions vested in the Commission and as from time to time may be appropriated for by Congress.'

"(d) Subsection (k) of section 4 of such act is amended to read as follows:

"'(k) The Commission shall make an annual report to Congress, copies of which shall be distributed as are other reports transmitted to Congress. Such reports shall contain—

"'(1) such information and data collected by the Commission as may be considered of value in the determination of questions connected with the regulation of interstate and foreign wire and radio communication and radio transmission of energy;

"'(2) such information and data concerning the functioning of the Commission as will be of value to Congress in appraising the amount and character of the work and accomplishments of the Commission and the adequacy of its staff and equipment: *Provided,* That the first and second annual reports following the date of enactment of the Communications Act Amendments, 1952, shall set forth in detail the number and caption of pending applications requesting approval of transfer of control or assignment of a broadcasting station license, or construction permits for new broadcasting stations, or for increases in power, or for changes of frequency of existing broadcasting stations at the beginning and end of the period covered by such reports;

"'(3) information with respect to all persons taken into the employment of the Commission during the year covered by the report, including names, pertinent biographical data and experience. Commission positions held and compensation paid, together with the names of those persons who have left the employ of the Commission during such year: *Provided,* That the first annual report following the date of enactment of the Communications Act Amendments, 1952, shall contain such information with respect to all persons in the employ of the Commission at the close of the year for which the report is made;

"'(4) an itemized statement of all funds expended during the preceding year by the Commission, of the sources of such funds, and of the authority in this act or elsewhere under which such expenditures were made; and

"'(5) specific recommendations to Congress as to additional legislation which the Commission deems necessary or desirable, including all legislative proposals submitted for approval to the Director of the Bureau of the Budget.'

"Sec. 5. Section 5 of such act is amended to read as follows:

"'ORGANIZATION AND FUNCTIONING OF THE COMMISSION

"'Sec. 5. (a) The member of the Commission designated by the President as chairman shall be the chief executive officer of the Commission. It shall be his duty to preside at all meetings and sessions of the Commission, to represent the Commission in all matters relating to legislation and legislative reports, except that any commissioner may present his own or minority views or supplemental reports, to represent the Commission in all matters requiring conferences or communications with other governmental officers, departments, or agencies, and generally to coordinate and organize the work of the Commission in such manner as to promote prompt and efficient disposition of all matters within the jurisdiction of the Commission. In the case of a vacancy in the office of the chairman of the Commission, or the absence or inability of the chairman to serve, the Commission may temporarily designate one of its members to act as chairman until the cause or circumstance requiring such designation shall have been eliminated or corrected.

"'(b) Within 6 months after the enactment of the Communications Act Amendments, 1952, and from time to time thereafter as the Commission may find necessary, the Commission shall organize its staff into (1) integrated bureaus, to function on the basis of the Commission's principal workload operations, and (2) such other divisional organizations as the Commission may deem necessary to handle that part of its workload which cuts across more than one integrated bureau or which does not lend itself to the integrated bureau set-up. Each such integrated bureau shall include such legal, engineering, accounting, administrative, clerical, and other personnel as the Commission may determine to be necessary to perform its functions.

"'(c) The Commission shall establish a special staff of employees, hereinafter in this act referred to as the "review staff," which shall consist of such legal, engineering, accounting, and other personnel as the Commission deems necessary. The review staff shall be directly responsible to the Commission and shall not be made a part of any bureau or divisional organization of the Commission. Its work shall not be supervised or directed by any employee of the Commission other than a member of the review staff whom the Commission may designate as the head of such staff. The review staff shall perform no duties or functions other than to assist the Commission, in cases of adjudication (as defined in the Administrative Procedure Act) which have been designated for hearing, by preparing, without recommendations, a summary of the evidence presented at any such hearing, by preparing without recommendations, after an initial decision but prior to oral argument, a compilation of the facts material to the exceptions and replies thereto filed by the parties, and by preparing for the Commission or any member or members thereof, without recommendations and in accordance with specific directions from the Commission or such member or members, memoranda, opinions, decisions, and orders. The Commission shall not permit any employee who is not a member of the review staff to perform the duties and functions which are to be performed by

the review staff; but this shall not be construed to limit the duties and functions which a professional assistant appointed pursuant to section 4 (f) (2) may perform for the commissioner by whom he was appointed.

"'(d) (1) The Commission is hereby authorized by its order to divide the members thereof into not more than three panels, each to consist of not less than three members. Any commissioner may be assigned to and may serve upon such panel or panels as the Commission may direct, and each panel shall choose its own chairman. In case of a vacancy in any panel, or of absence or inability to serve thereon of any commissioner thereto assigned, the chairman of the Commission or any commissioner designated by him for that purpose may temporarily serve on said panel until the Commission shall otherwise order.

"'(2) Except as provided in section 409, the Commission may by order direct that any of its work, business, or functions arising under this or any other Act of Congress, or referred to it by Congress or by either branch thereof, be assigned or referred to any of said panels for action thereon, and may by order at any time amend, modify, supplement, or rescind any such direction.

"'(3) In conformity with and subject to the order or orders of the Commission in the premises, each panel so constituted shall have power and authority by a majority thereof to hear and determine, order, certify, report, or otherwise act as to any of said work, business, or functions so assigned or referred to it for action, and in respect thereof shall have all the jurisdiction and powers conferred by law upon the Commission, and be subject to the same duties and obligations. Any order, decision, or report made or other action taken by any of said panels in respect of any matters so assigned or referred to it shall have the same force and effect, and may be made, evidenced, and enforced in the same manner as if made or taken by the Commission, subject to rehearing by the Commission as provided in section 405 of this act for rehearing cases decided by the Commission. The secretary and seal of the Commission shall be the secretary and seal of each panel thereof.

"'(e) (1) Except as provided in section 409, the Commission may by order assign or refer any portion of its work, business, or functions arising under this or any other act of Congress, or referred to it by Congress or either branch thereof, to an individual commissioner, or to a board composed of an employee or employees of the Commission, to be designated by such order for action thereon, and may by order at any time amend, modify, supplement, or rescind any such assignment or reference. In case of the absence, or inability for any other reason to act, of any such individual commissioner or of any employee designated to serve upon any such board, the chairman of the Commission may designate another commissioner or employee, as the case may be, to serve temporarily until the Commission shall otherwise order.

"'(2) In conformity with and subject to the order or orders of the Commission in the premises, any such individual commissioner, or board acting by a majority thereof, shall have power and authority to hear and determine, order, certify, report, or otherwise act as to any of said work, business, or functions so assigned, or referred to him or it for action, and in respect thereof shall have all the jurisdiction and powers conferred by law upon the Commission and be subject to the same duties and obligations. Any order, decision, or report made or other action taken by any such individual commissioner or board in respect of any matters so assigned or referred shall have the same force and effect, and may be made, evidenced, and enforced in the same manner as if made or taken by the Commission, subject to rehearing by the Commission as provided in section 405 of this act for rehearing cases decided by the Commission. Every petition for such a rehearing shall be passed upon by the Commission. The Commission may make and amend rules for the conduct of proceedings before any such individual commissioner or board. The secretary and seal of the Commission shall be the secretary and seal of such individual commissioner or board.

"'(f) Nothing in this section contained, or done pursuant thereto, shall be deemed to divest the Commission of any of its powers.

"'(g) Meetings of the Commission shall be held at regular intervals, not less frequently than once each calendar month, at which times the functioning of the Commission and the handling of its workload shall be reviewed and such orders shall be entered and other action taken as may be necessary or appropriate to expedite the prompt and orderly conduct of the business of the Commission with the objective of rendering a final decision (1) within 3 months from the date of filing in all original application, renewal, and transfer cases in which it will not be necessary to hold a hearing, and (2) within 6 months from the final date of the hearing in all hearing cases; and the Commission shall promptly report to the Congress each such case which has been pending before it more than such 3- or 6-month period, respectively, stating the reasons therefor.'

"SEC. 6. (a) Subsection (d) of section 307 of such act is amended to read as follows:

"'(d) No license granted for the operation of a broadcasting station shall be for a longer term than 3 years and no license so granted for any other class of station shall be for a longer term than 5 years, and any license granted may be revoked or suspended as hereinafter provided. Upon the expiration of any license, upon application therefor, a renewal of such license may be granted from time to time for a term of not to exceed 3 years in the case of broadcasting licenses, and not to exceed 5 years in the case of other licenses, if the Commission finds that public interest, convenience, and necessity would be served thereby. In order to expedite action on applications for renewal of broadcasting station licenses and in order to avoid needless expense to applicants for such renewals, the Commission shall not require any such applicant to file any information which previously has been furnished to the Commission or which is not directly material to the considerations that affect the granting or denial of such application. Pending any hearing and final decision on such an application and the disposition of any petition for rehearing pursuant to section 405, the Commission shall continue such license in effect.'

"(b) Section 307 of such act is amended by adding at the end thereof the following subsection:

"'(f) If the Commission, instead of granting the application of a licensee for the renewal of its station license, grants to another applicant a station license for the same or mutually exclusive facilities, and if the applicant for renewal has operated substantially as set forth in the license and has not wilfully violated or failed to observe any of the restrictions and conditions of this act or of any regulation of the Commission authorized by this act or by a treaty ratified by the United States, then, if the applicant for renewal so requests, the grant of the station license to the other applicant shall be conditioned upon the purchase, by the other applicant, of the physical plant and equipment theretofore used for station purposes by the applicant for renewal, at a price equal to the fair value of such plant and equipment, as determined by the Commission.'

"SEC. 7. (a) So much of subsection (a) of section 308 of such act as precedes the second proviso is amended to read as follows: 'The Commission may grant construction permits and station licenses, or modifications or renewals thereof, only upon written application therefor received by it: *Provided*, That (1) in cases of emergency found by the Commission involving danger to life or property or due to damage to equipment, or (2) during a national emergency proclaimed by the President or declared by the Congress and during the continuance of any war in which the United States is engaged and when such action is necessary for the national defense or security or otherwise in furtherance of the war effort, or (3) in cases of emergency where the Commission finds, in the nonbroadcast services, that it would not be feasible to secure renewal applications from existing licensees or otherwise to follow normal licensing procedure, the Commission may grant construction permits and station licenses, or modifications or renewals thereof, during the emergency so found by the Commission or during the continuance of any such national emergency or war, in such manner and upon such terms and conditions as the Commission shall by regulation prescribe, and without the filing of a formal application, but no authorization so granted shall continue in effect beyond the period of the emergency or war requiring it:'.

"(b) The first sentence of subsection (b) of section 308 of such act is amended by striking out the words 'All such applications shall set forth' and inserting in lieu thereof 'All applications for station licenses, or modifications or renewals thereof, shall set forth.'

"(c) Section 308 of such act is amended by adding at the end thereof the following subsection:

"'(d) The Commission shall not make or promulgate any rule or regulation, of substance or procedure, the purpose or result of which is to effect a discrimination between persons based upon interest in, association with, or ownership of any medium primarily engaged in the gathering and dissemination of information and no application for a construction permit or station license, or for the renewal, modification, or transfer of such a permit or license, shall be denied by the Commission solely because of any such interest, association, or ownership.'

"SEC. 8. Section 309 of such act is amended to read as follows:

"'ACTION UPON APPLICATIONS; FORM OF AND CONDITIONS ATTACHED TO LICENSES

"'SEC. 309. (a) If upon examination of any application provided for in section 308 the Commission shall find that public interest, convenience, and necessity would be served by the granting thereof, it shall grant such application.

"'(b) If upon examination of any such application the Commission is unable to make the finding specified in subsection (a), it shall forthwith notify the applicant and other known parties in interest of the grounds and reasons for its inability to make such finding. Such notice, which shall precede formal designation for a hearing, shall advise the applicant and all other known parties in interest of all objections made to the application as well as the source and nature of such objections. Following such notice, the applicant shall be given an opportunity to reply. If the Commission, after considering such reply, shall be unable to make the finding specified in subsection (a), it shall formally designate the application for hearing on the grounds or reasons then obtaining and shall notify the applicant and all other known parties in interest of such action and the grounds and reasons therefor, specifying with particularity the matters and things in issue but not including issues or requirements phrased generally.

The parties in interest, if any, who are not notified by the Commission of its action with respect to a particular application may acquire the status of a party to the proceeding thereon by filing a petition for intervention showing the basis for their interest at any time not less than 10 days prior to the date of hearing. Any hearing subsequently held upon such application shall be a full hearing in which the applicant and all other parties in interest shall be permitted to participate but in which both the burden of proceeding with the introduction of evidence upon any issue specified by the Commission, as well as the burden of proof upon all such issues, shall be upon the applicant.

"'(c) When any instrument of authorization is granted by the Commission without a hearing as provided in subsection (a) hereof, such grant shall remain subject to protest as hereinafter provided for a period of 30 days. During such 30-day period any party in interest may file a protest under oath directed to such grant and request a hearing on said application so granted. Any protest so filed shall contain such allegations of fact as will show the protestant to be a party in interest and shall specify with particularity the facts, matters, and things relied upon, but shall not include issues or allegations phrased generally. The Commission shall, within 15 days from the date of the filing of such protest, enter findings as to whether such protest meets the foregoing requirements and if it so finds the application involved shall be set for hearing upon the issues set forth in said protest, together with such further specific issues, if any, as may be prescribed by the Commission. In any hearing subsequently held upon such application all issues specified by the Commission shall be tried in the same manner provided in subsection (b) hereof, but with respect to all issues set forth in the protest and not specifically adopted by the Commission, both the burden of proceeding with the introduction of evidence and the burden of proof shall be upon the protestant. The hearing and determination of cases arising under this subsection shall be expedited by the Commission and pending hearing and decision the effective date of the Commission's action to which protest is made shall be postponed to the effective date of the Commission's decision after hearing, unless the authorization involved is necessary to the maintenance or conduct of an existing service, in which event the Commission shall authorize the applicant to utilize the facilities or authorization in question pending the Commission's decision after hearing.

"'(d) Such station licenses as the Commission may grant shall be in such general form as it may prescribe, but each license shall contain, in addition to other provisions, a statement of the following conditions to which such license shall be subject: (1) The station license shall not vest in the licensee any right to operate the station nor any right in the use of the frequencies designated in the license beyond the term thereof nor in any other manner than authorized therein; (2) neither the license nor the right granted thereunder shall be assigned or otherwise transferred in violation of this act; (3) every license issued under this act shall be subject in terms to the right of use or control conferred by section 606 hereof.'

"SEC. 9. Subsection (b) of section 310 of said act is amended to read as follows:

"'(b) No construction permit or station license, or any rights thereunder, shall be transferred, assigned, or disposed of in any manner, voluntarily or involuntarily, directly or indirectly, or by transfer of control of any corporation holding such permit or license, to any person except upon application to the Commission and upon finding by the Commission that the public interest, convenience, and necessity will be served thereby. Any such application shall be disposed of as if the proposed transferee or assignee were making application under section 308 for the permit or license in question; but in acting thereon the Commission may not consider whether the public interest, convenience, and necessity might be served by the transfer, assignment, or disposal of the permit or license to a person other than the proposed transferee or assignee.'

"SEC. 10. Section 312 of such act is amended to read as follows:

"'ADMINISTRATIVE SANCTIONS

"'SEC. 312. (a) Any station license may be revoked, or may be suspended for a period not to exceed 90 days, and any construction permit may be revoked—

"'(1) for false statements knowingly made either in the application or in any statement of fact which may be required pursuant to section 308;

"'(2) because of conditions coming to the attention of the Commission which would warrant it in refusing to grant a license or permit on an original application;

"'(3) for willful or repeated failure to operate substantially as set forth in the license;

"'(4) for willful or repeated violation of, or willful or repeated failure to observe, any provision of this act or any rule or regulation of the Commission authorized by this act or by a treaty ratified by the United States; and

"'(5) for violation of or failure to observe any cease and desist order issued by the Commission under this section.

"'(b) Where any person (1) has failed to operate substantially as set forth in a license, or (2) has violated or failed to observe any of the provisions of this act, or (3) has violated or failed to observe any rule or regulation of the Commission authorized by this act or by a treaty ratified by the United States, the Commission may order such person to cease and desist from such action.

"'(c) Before revoking or suspending a license or revoking a permit pursuant to subsection (a), or issuing a cease and desist order pursuant to subsection (b), the Commission shall serve upon the licensee, permittee, or person involved an order to show cause why an order of revocation or suspension or a cease and desist order should not be issued. Any such order to show cause shall contain a statement of the matters with respect to which the Commission is inquiring and shall call upon said licensee, permittee, or person to appear before the Commission at a time and place stated in the order, but in no event less than 30 days after the receipt of such order, and give evidence upon the matter specified therein; except that where safety of life or property is involved, the Commission may provide in the order for a shorter period. If after hearing, or a waiver thereof, the Commission determines that an order of revocation or suspension or a cease and desist order should issue, it shall issue such order, which shall include a statement of the findings of the Commission and the grounds and reasons therefor and specify the effective date of the order, and shall cause the same to be served on said licensee, permittee, or person.

"'(d) Except insofar as other provisions of this act provide for specific forfeitures, in any case where subsection (a) or (b) of this section authorizes the revocation or suspension of a license, the revocation of a construction permit, or the issuance of a cease-and-desist order, and in any case where section 303 (m) of this act provides for the suspension of an operator's license, the Commission may, in lieu of revoking or suspending the license, or revoking the permit, or issuing the cease-and-desist order, or in addition to issuing the cease-and-desist order, direct the payment of a forfeiture to the United States of the sum of $500 for each day during which any offense specified in subsection (a) or (b) of this section, or in section 303 (m), occurred, or such lesser sum as the Commission may find appropriate in the light of all of the facts and circumstances of the particular case. Before the imposition of any forfeiture herein provided for, the Commission shall serve a notice of apparent liability for the forfeiture of a specific sum of money, which sum may be determined by the Commission on the basis of information then before it. Such notice shall give a reasonable opportunity to apply for a hearing, or, if a hearing is waived, to submit a written request for remission, or reduction in the amount, of the forfeiture, such written request to be supported by a statement of the facts warranting remission or reduction. The Commission, upon final determination of the amount of any forfeiture, shall give notice thereof and specify the time, not less than 30 days after receipt of notice, within which to pay such sum into the Treasury of the United States. If not paid within the period specified, suit may be brought as provided in section 504 of this act for recovery of a forfeiture. In any case where the Commission has served an order to show cause pursuant to subsection (c) of this section, the Commission, after hearing or waiver thereof as therein provided, may, in lieu of revoking or suspending a license, or revoking a permit, or issuing a cease-and-desist order, or in addition to issuing a cease-and-desist order, in such proceeding, impose the forfeiture provided for in this subsection. If a hearing is waived, a reasonable opportunity shall be given to submit a written request for remission, or reduction in the amount of the forfeiture, supported by a statement of the facts warranting remission or reduction. Any forfeiture ordered after the service of an order to show cause shall be collected as provided above.

"'(e) In any case where a hearing is conducted pursuant to the provisions of this section, both the burden of proceeding with the introduction of evidence and the burden of proof shall be upon the Commission.

"'(f) The provisions of section 9 (b) of the Administrative Procedure Act which apply with respect to the institution of any proceeding for the suspension or revocation of a license or permit shall apply also with respect to the institution, under this section, of any proceeding for the issuance of a cease-and-desist order or for the imposition of a forfeiture.'

"SEC. 11. Such act is amended by adding after section 315 the following section:

"'MODIFICATION BY COMMISSION OF CONSTRUCTION PERMITS OR LICENSES

"'SEC. 316. (a) Any station license or construction permit may be modified by the Commission either for a limited time or for the duration of the term thereof, if in the judgment of the Commission such action will promote the public interest, convenience, and necessity, or the provisions of this act or of any treaty ratified by the United States will be more fully complied with. No such order of modification shall become final until the holder of the license or permit shall have been notified in writing of the proposed action and the grounds and reasons therefor, and shall have been given reasonable opportunity, in no event less than 30 days, to show cause by public hearing, if requested, why such order of modification should not issue: *Provided*, That where safety of life or property is involved, the Commission may by order provide for a shorter period of notice.

"'(b) In any case where a hearing is conducted pursuant to the provisions of this section, both the burden of proceeding with the introduction of evidence and the burden of proof shall be upon the Commission.'

"SEC. 12. (a) The first sentence of subsection (a) of section 319 of such act is amended by striking out the words 'upon written application therefor.'

"(b) Subsection (a) of section 319 of such act is amended by striking out the second sentence thereof, and the third sentence thereof is amended by striking out 'This application shall set forth' and inserting in lieu thereof 'The application for a construction permit shall set forth.'

"(c) Subsection (b) of section 319 of such act is amended by striking out the second sentence thereof.

"(d) Such section 319 is amended by striking out the last two sentences of subsection (b) thereof, and by inserting at the end of such section the following subsection:

"'(c) Upon the completion of any station for the construction or continued construction of which a permit has been granted, and upon it being made to appear to the Commission that all the terms, conditions, and obligations set forth in the application and permit have been fully met, and that no cause or circumstance arising or first coming to the knowledge of the Commission since the granting of the permit would, in the judgment of the Commission, make the operation of such station against the public interest, the Commission shall issue a license to the lawful holder of said permit for the operation of said station. Said license shall conform generally to the terms of said permit. The provisions of section 309 (a), (b), and (c) shall not apply with respect to any station license the issuance of which is provided for and governed by the provisions of this subsection.'

"SEC. 13. Section 402 of such act is amended to read as follows:

"'PROCEEDINGS TO ENJOIN, SET ASIDE, ANNUL, OR SUSPEND ORDERS OF THE COMMISSION

"'SEC. 402. (a) Any proceeding to enjoin, set aside, annul, or suspend any order of the Commission under this act (except those appealable under subsection (b) of this section) shall be brought as provided by and in the manner prescribed in Public Law 901, Eighty-first Congress, approved December 29, 1950.

"'(b) Appeals may be taken from decisions and orders of the Commission to the United States Court of Appeals for the District of Columbia in any of the following cases:

"'(1) By any applicant for a construction permit or station license, whose application is denied by the Commission.

"'(2) By any applicant for the renewal or modification of any such instrument of authorization whose application is denied by the Commission.

"'(3) By any party to an application for authority to transfer, assign, or dispose of any such instrument of authorization, or any rights thereunder, whose application is denied by the Commission.

"'(4) By any applicant for the permit required by section 325 of this act whose application has been denied by the Commission, or by any permittee under said section whose permit has been revoked by the Commission.

"'(5) By the holder of any construction permit or station license which has been modified, suspended, or revoked by the Commission.

"'(6) By any other person who is aggrieved or whose interests are adversely affected by any order of the Commission granting or denying any application described in paragraphs (1), (2), (3), and (4) hereof.

"'(7) By any person upon whom an order to cease and desist has been served under section 312 of this act.

"'(8) By any radio operator whose license has been suspended by the Commission.

"'(c) Such appeal shall be taken by filing a notice of appeal with the court within 30 days from the date upon which public notice is given of the decision or order complained of. Such notice of appeal shall contain a concise statement of the nature of the proceedings as to which the appeal is taken; a concise statement of the reasons on which the appellant intends to rely, separately stated and numbered; and proof of service of a true copy of said notice and statement upon the Commission. Upon filing of such notice, the court shall have jurisdiction of the proceedings and of the questions determined therein and shall have power, by order, directed to the Commission or any other party to the appeal, to grant such temporary relief as it may deem just and proper. Orders granting temporary relief may be either affirmative or negative in their scope and application so as to permit either the maintenance of the status quo in the matter in which the appeal is taken or the restoration of a position or status terminated or adversely affected by the order appealed from and shall, unless otherwise ordered by the court, be effective pending hearing and determination of said appeal and compliance by the Commission with the final judgment of the court rendered in said appeal.

"'(d) Upon the filing of any such notice of appeal the Commission shall, not later than 5 days after the date of service upon it notify each person shown by the records of the Commission to be interested in said appeal of the filing and pendency of the same and shall thereafter permit any such person to inspect and make copies of said notice and statement of reasons therefor at the office of the Commission in the city of Washington. Within 30 days after the filing of an appeal, the Commission shall file with the court a copy of the order complained of, a full statement in writing of the facts and grounds relied upon by it in support of the order involved upon said appeal, and the originals or certified copies of all papers and evidence presented to and considered by it in entering said order.

"'(e) Within 30 days after the filing of any such appeal any interested person may intervene and participate in the proceedings had upon said appeal by filing with the court a notice of intention to intervene and a verified statement showing the nature of the interest of such party, together with proof of service of true copies of said notice and statement, both upon appellant and upon the Commission. Any person who would be aggrieved or whose interest would be adversely affected by a reversal or modification of the order of the Commission complained of shall be considered an interested party.

"'(f) The record and briefs upon which any such appeal shall be heard and determined by the court shall contain such information and material, and shall be prepared within such time and in such manner as the court may by rule prescribe.

"'(g) At the earliest convenient time the court shall hear and determine the appeal upon the record before it in the manner prescribed by section 10 (e) of the Administrative Procedure Act.

"'(h) In the event that the court shall render a decision and enter an order reversing the order of the Commission, it shall remand the case to the Commission to carry out the judgment of the court and it shall be the duty of the Commission, in the absence of the proceedings to review such judgment, to forthwith give effect thereto, and unless otherwise ordered by the court, to do so upon the basis of the proceedings already had and the record upon which said appeal was heard and determined.

"'(i) The court may, in its discretion, enter judgment for costs in favor of or against an appellant, or other interested parties intervening in said appeal, but not against the Commission, depending upon the nature of the issues involved upon said appeal and the outcome thereof.

"'(j) The court's judgment shall be final, subject, however, to review by the Supreme Court of the United States upon writ of certiorari on petition therefor under section 1254 of title 28 of the United States Code, by the appellant, by the Commission, or by any interested party intervening in the appeal, or by certification by the court pursuant to the provisions of that section.'

"SEC. 14. Section 405 of such act is amended to read as follows:

"'REHEARINGS BEFORE COMMISSION

"'SEC. 405. After a decision, order or requirement has been made by the Commission in any proceeding, any party thereto, or any other person aggrieved or whose interests are adversely affected thereby, may petition for rehearing; and it shall be lawful for the Commission, in its discretion, to grant such a rehearing if sufficient reason therefor be made to appear. Petitions for rehearing must be filed within 30 days from the date upon which public notice is given of any decision, order, or requirement complained of. No such application shall excuse any person from complying with or obeying any decision, order, or requirement of the Commission, or operate in any manner to stay or postpone the enforcement thereof, without the special order of the Commission. The filing of a petition for rehearing shall not be a condition precedent to judicial review of any such decision, order, or requirement, except where the party seeking such review (1) was not a party to the proceedings resulting in such decision, order, or requirement, or (2) relies on questions of fact or law upon which the Commission has been afforded no opportunity to pass. Rehearings shall be governed by such general rules as the Commission may establish. The time within which a petition for review must be filed in a proceeding to which section 402 (a) applies, or within which an appeal must be taken under section 402 (b), shall be computed from the date upon which public notice is given of orders disposing of all petitions for rehearing filed in any case, but any decision, order, or requirement made after such rehearing reversing, changing, or modifying the original order shall be subject to the same provisions with respect to rehearing as an original order.'

"SEC. 15. (a) Section 409 (a) of such act is amended to read as follows:

"'SEC. 409. (a) In every case of adjudication (as defined in the Administrative Procedure Act) which has been designated for a hearing by the Commission, the hearing shall be conducted by the Commission or by one or more examiners provided for in section 11 of the Administrative Procedure Act, designated by the Commission.

"'(b) The officer or officers conducting a hearing to which subsection (a) applies shall prepare and file an initial decision, except where the hearing officer becomes unavailable to the Commission or where the Commission finds upon the record that due and timely execution of its functions imperatively and unavoidably require that the record be certified to the Commission for initial or final decision. In all such cases the Commission shall permit the filing of exceptions to such initial decision by any party to the proceeding and shall, upon request, hear oral argument on such exceptions before the entry of any final decision, order, or requirement. All decisions, including the initial decision, shall become a part of the record and shall include a statement of (1) findings and conclusions, as well as the basis therefor, upon all material issues of fact, law, or discretion, presented on the record; and (2) the appropriate decision, order, or requirement.

"'(c) (1) In any case of adjudication (as defined in the Administrative Procedure Act) which has been designated for a hearing by the Commission, no examiner conducting or participating in the conduct of

such hearing shall, except to the extent required for the disposition of ex parte matters as authorized by law, consult any person (except another examiner participating in the conduct of such hearing) on any fact or question of law in issue, unless upon notice and opportunity for all parties to participate. In the performance of his duties, no such examiner shall be responsible to or subject to the supervision or direction of any person engaged in the performance of investigative, prosecutory, or other functions for the Commission or any other agency of the Government. No examiner conducting or participating in the conduct of any such hearing shall advise or consult with the Commission or any member or employee of the Commission (except another examiner participating in the conduct of such hearing) with respect to the initial decision in the case or with respect to exceptions taken to the findings, rulings, or recommendations made in such case.

"'(2) In any case of adjudication (as defined in the Administrative Procedure Act) which has been designated for a hearing by the Commission, no commissioner, and no professional assistant appointed by a commissioner as authorized by section 4 (f) (2), shall (except to the extent required for the disposition of ex parte matters as authorized by law) consult on any fact or question of law in issue, or receive any recommendations from, any other person, unless upon notice and opportunity for all parties to participate; except that the foregoing provisions of this paragraph—

"'(A) shall not restrict consultation, or the making of recommendations, between a commissioner and another commissioner or commissioners or between a commissioner and the professional assistant appointed by him under authority of section 4 (f) (2); and

"'(B) shall not restrict commissioners in obtaining from members of the review staff the limited assistance authorized by section 5 (c).

"'(3) No person or persons engaged in the performance of investigative or prosecuting functions for the Commission, or in any litigation before any court in any case arising under this Act, shall advise, consult, or participate in any case of adjudication (as defined in the Administrative Procedure Act) which has been designated for a hearing by the Commission, except as a witness or counsel in public proceedings.

"'(d) To the extent that the foregoing provisions of this section are in conflict with provisions of the Administrative Procedure Act, such provisions of this section shall be held to supersede and modify the provisions of that Act.'

"(b) Subsections (b), (c), (d), (e), (f), (g), (h), (i), and (j) of section 409 are hereby redesignated as subsections (e), (f), (g), (h), (i), (j), (k), (l), and (m), respectively.

"SEC. 16. Section 410 (a) of such Act is amended by striking out the first sentence thereof, and by inserting in lieu of such sentence the following: "Except as provided in section 409, the Commission may refer any matter arising in the administration of this Act to a joint board to be composed of a member, or of an equal number of members, as determined by the Commission, from each of the States in which the wire or radio communication affected by or involved in the proceeding takes place or is proposed. For purposes of acting upon such matter any such board shall have all the jurisdiction and powers conferred by law upon the Commission, and shall be subject to the same duties and obligations.'"

"SEC. 17. This Act shall take effect on the first day of the first month which begins more than sixty days after the date of its enactment, but—

"(1) Insofar as the amendments made by this Act to the Communications Act of 1934 provide for procedural changes, requirements imposed by such changes shall not be mandatory as to any agency proceeding (as defined in the Administrative Procedure Act) initiated prior to the date on which this Act takes effect.

"(2) The amendments made by this Act to section 402 of the Communications Act of 1934 (relating to judicial review of orders and decisions of the Commission) shall not apply with respect to any action or appeal which is pending before any court on the date on which this Act takes effect.

Mr. O'HARA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA to the committee amendment: On page 55 after line 9, insert the following:

"SEC. 11. Section 315 of such act is amended to read as follows:

"'BROADCASTS BY CANDIDATES FOR PUBLIC OFFICE

"'SEC. 315. (a) If any licensee shall permit any legally qualified candidate for any public office to use, in person, a broadcasting station, such licensee shall afford equal opportunity to all other such candidates for that office, to use, in person, such broadcasting station.

"'(b) In any case of such use of a broadcasting station, the licensee shall have no power to censor the material broadcast; but the license may require deletion of any defamatory, obscene, or other matter which would subject the licensee to any civil or criminal liability in any Federal, State, or local court.

"'(c) Except to the extent expressly provided in subsection (a) of this section, no obligation is imposed upon any licensee to allow the use of its broadcasting station by any person.

"'(d) The Commission shall issue regulations to carry into effect the provisions of this section, and such regulations shall be issued initially not later than 1 year after the date of the enactment of the Communications Act Amendments, 1952.'"

Mr. O'HARA. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

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

There was no objection.

Mr. O'HARA. Mr. Chairman, I think this is a fair and honest approach and a clear-cut approach to the problem which confronts those engaged in broadcasting and those who may exercise the right of speaking in political campaigns.

In the first place, the gentleman from Massachusetts expressed his views that he resented censorship and therefore, under the Horan bill, which he favored and which I doubt the constitutionality of very much, he felt it was wrong to censor, no matter what the statement was. This is a radio station which broadcasts all over the country. Why should it not apply to radio stations? If a newspaper took a political advertisement that was libelous, it would be responsible if it carried it in the newspaper. Here is the great instrumentality of the radio. This gives the political candidate the right to come on there and speak in whatever partisan or political sense he wants to. What he may say may affect his political opponent. If it is defamatory or libelous or slanderous, whichever it may be, under certain decisions it is subject to a charge of being libelous or slanderous. But the point is that the damage is done after that instrumentality has been used.

I think probably every one of us as political candidates has been solicited at double the commercial rates to take all the time we can on the radio. Let them take some of the responsibility. In all the years that I have been in political campaigns, up to and including the present time, I have never had a script of mine censored in the sense of any of the language I proposed to use in a political broadcast being stricken, and as far as I know none of my opponents were ever censored. The only right of censorship that my amendment gives is the right to eliminate defamatory or obscene matter. Defamatory matter means libelous or slanderous matter, not the partisan statements or the viewpoints of the gentleman from Massachusetts or any other political person speaking upon a political subject. What is decency in a campaign, in a political broadcast?

The amendment clears up one other thing in the present section 315, and that is, if a radio station lets one candidate speak, it must afford the other candidate the same amount of time at the same rates, I would assume, without any question.

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

Mr. O'HARA. I yield to the gentleman from New Jersey.

Mr. HAND. Is it not true that under the language of the gentleman's amendment, as I heard it, the amendment absolutely prohibits censorship as such, but merely gives the broadcaster the right to delete not the whole speech but that part of it that may be defamatory or obscene?

Mr. O'HARA. The gentleman is completely right.

Mr. HAND. Is not that exactly analogous with the situation in the public press where the editor of a newspaper in perfect good faith might print a letter to the editor, and if that letter happens to be libelous, without the editor's knowledge, the editor of that paper and his newspaper are liable in civil damages?

Mr. O'HARA. Exactly.

Mr. HAND. Can the gentleman think of any reason why the great radio means of transmission of thought should be in a different category from the press and have greater advantages than the press?

Mr. O'HARA. I cannot see where there should be any difference in it at all.

Mr. HAND. I hope the gentleman's amendment will be supported. I think it is reasonable and just.

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

Mr. O'HARA. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman's amendment, I believe, is somewhat different from the bill he introduced.

Mr. O'HARA. That is right. Two questions have been cleared up. One was, who was a legally qualified candidate. The language in my bill was not plain. Mr. Perley of our staff, our legislative counsel, has assisted me in drafting this. We cleared that up so

that it applies to the primaries as well as to the general elections.

Mr. HARRIS. Does the amendment apply to the political candidate, or does it also apply to a spokesman of a political candidate?

Mr. O'HARA. It limits it solely and exclusively to the political candidate.

Mr. HARRIS. The Horan proposal, I believe, does extend it to a spokesman for a political candidate.

Mr. HORAN. The Federal district court in the Felix case held that the station was liable where someone other than the candidate was speaking so I do not think that makes a great deal of difference.

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

Mr. O'HARA. I yield.

Mr. MEADER. The question asked by the gentleman from New Jersey, which the gentleman from Minnesota answered, was that there was no difference between a newspaper and radio and television. I think probably legally that is correct. But, there is certainly a physical and a mechanical difference, and it is in that difference that I am concerned. A newspaper always must make a record before it is of any use to anybody. It cannot be read until it is printed, and there is an opportunity to edit it. But, where you have these extemporaneous programs, some of them being the most interesting programs on the radio and television as compared to the canned programs, it seems to me you are placing a terrific liability on the publisher of the news broadcast or the television broadcast, and not giving him exactly the same position as the editor of a newspaper who will see it in writing first before he publishes it.

Mr. O'HARA. Are you in favor of libel and slander if it is over a radio station, and not if it is in a newspaper?

Mr. MEADER. No, I was asking the gentleman, or at least I wanted to ask him when I made my position clear, how he would deal with the protection of the owner of the telecast or broadcasting studio, where something unforeseen or unpredictable comes out in one of these spontaneous or extemporaneous programs?

Mr. O'HARA. The only thing I can say is that the station is the agency which is distributing and publishing the libel, even though it may be perfectly innocent and without any intent to do so. Under the law, as you know, when a libelous statement is made, it is intended to be made. That is the presumption in law. Now, how are you going to protect the individual? How are you going to protect him in that sort of situation? What about the individual who is slandered, or the group that may be slandered or libeled? What rights have they? It is not just the political candidate who might be affected. It is everybody else—innocent people may be libeled and slandered over such a program. I am not for abolishment of their rights. I am not going to say that simply because there is this instrumentality, we should turn it loose. It is like handing a man a shotgun and loading it, and having it already to shoot, and then say "Pull the trigger, brother" and then have you say that there is no liability because the injury has been done.

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

Mr. O'HARA. I yield.

Mr. ELLSWORTH. As I recall the reading of the gentleman's amendment it specifically states that equal time shall be given to candidates.

Mr. O'HARA. That is equal opportunity.

Mr. ELLSWORTH. That equal time or opportunity shall be given to candidates in person?

Mr. O'HARA. That is correct.

Mr. ELLSWORTH. To clarify the intent of the gentleman's amendment, does that mean that the person broadcasting must be present in the studio?

Mr. O'HARA. No, I mean the candidate himself.

Mr. ELLSWORTH. In other words, he could not make a tape recording or transcription, but he must be in the studio itself.

Mr. O'HARA. No, no. It is the candidate himself, whether he makes a tape recording or any kind of record. It is the candidate himself speaking.

Mr. ELLSWORTH. That is the candidate's voice is what you are getting at.

Mr. O'HARA. That is right.

Mr. ELLSWORTH. I thank the gentleman. That is the point I wanted cleared up.

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

Mr. O'HARA. I yield.

Mr. VORYS. Does the gentleman have anything in his amendment about reasonableness of time that the station must take in exercising its censorship? I am frankly concerned that the gentleman in attempting to protect the candidate from defamatory statements is setting up a system of censorship that could merely, through the time element, require the script to be in the hands of the station a week beforehand when it was just a week before election.

Mr. O'HARA. There is nothing like that involved here I will say to the gentleman. I think the gentleman is feinting on my amendment. But there is nothing to require that. It used to be 24 hours until the Port Huron decision. But, I have walked into a station an hour before.

The CHAIRMAN. The time of the gentleman has expired.

Mr. O'HARA. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

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

There was no objection.

Mr. VORYS. But the gentleman has no limitation of time in his amendment.

Mr. O'HARA. There is no limitation of time in my amendment. I provide that the Commission shall within 1 year make rules and regulations, something which they have not done yet under section 315.

Mr. Chairman, in this amendment, I think there is a clear-cut and honest approach to this problem, which should be dealt with forthrightly. I say to you on three different occasions the Congress since 1927, including the original Radio Act, has turned down what I call, and I do not mean any reflection upon it, the whitewash amendment that was offered by the gentleman from Washington [Mr. HORAN], which permits broadcasts without any censorship, no matter how libelous or how defamatory they may be. I think the Congress should continue that same position, place the responsibility to eliminate that libelous or obscene matter before it is broadcast, and not worry about it afterward.

Another thing I would like to call attention to—I do not want belabor the Horan amendment, but I doubt the constitutionality or the right of Congress to affect by Federal act the civil or criminal libel laws of the several States. I do not see how you can make it stand up. I feel as positive as I can, with our court situation, that the courts are going to hold the Congress has no right to abolish the police power or the libel or slander laws of the States.

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

Mr. O'HARA. I yield to the gentleman from Washington.

Mr. HORAN. By excepting political or partisan statements, you effect the same approach to the constitutionality of the amendment, as far as libel is concerned.

Mr. O'HARA. Oh, no; I do not. It does not affect it one bit. I say when they are subject—that is a definition of the type of defamatory statement I am talking about. Either defamatory or obscene matter. The gentleman does not understand the language. That is his trouble. I say defamatory, obscene, or other matter which would subject the licensee, that is the broadcaster, to any civil or criminal liability in any Federal, State, or local court.

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

Mr. O'HARA. I yield to the gentleman from New Jersey.

Mr. HAND. What the gentleman does is to affirm the law of libel and slander?

Mr. O'HARA. Exactly.

Mr. HORAN. Except in political matters.

Mr. O'HARA. No, no. It means what it says; the gentleman is confused.

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

Mr. HARRIS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HARRIS. In order that we may have the situation clear, I would like to ask whether or not the gentleman from Washington [Mr. HORAN] could offer a substitute amendment to the O'Hara amendment.

The CHAIRMAN. No. That would be in the third degree.

Mr. HARRIS. Since both of these proposals have been discussed, in order to have an opportunity to get the Horan proposal, the O'Hara amendment then would have to be voted down?

The CHAIRMAN. It would have to be voted down. Or, if a substitute was offered and no point of order was raised against it, it could be considered.

Mr. HORAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HORAN. Would it not be better to consider the O'Hara amendment at this time and either accept it or reject it?

The CHAIRMAN. If the O'Hara amendment is rejected, then the gentleman could offer his amendment to the committee amendment.

Mr. HORAN. In view of the parliamentary situation, I think the best procedure would be to go ahead that way. If I might be recognized now, I would like to rise in opposition to the O'Hara amendment.

The CHAIRMAN. The gentleman is recognized for that purpose.

Mr. HARRIS. Mr. Chairman, will the gentleman yield for a moment?

Mr. HORAN. I yield to the gentleman from Arkansas.

Mr. HARRIS. I do so to see if we might arrive at some time for debate on this amendment.

I ask unanimous consent that all debate on the O'Hara amendment close in 5 minutes, following the gentleman from Washington [Mr. HORAN].

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

There was no objection.

Mr. HORAN. Mr. Chairman, I think, as I said in my opening remarks in general debate, that this is a clear case. Section 315 in conjunction with section 326 of the Communications Act of 1934 imposed upon your ethical and responsible broadcasters and operators of broadcasting stations a dual conflicting and confusing programing responsibility. Section 326 states this:

Nothing in this act—

The Communications Act of 1934—

shall be understood or construed to give the Commissioin the power of censorship over the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communications.

Section 315 qualifies that and forbids the right of censorship over political broadcasts.

We are here, as I pointed out, to do one of two things. The O'Hara bill suggests one, and my amendment, if we reach it, by defeating his amendment, will do the other.

The gentleman from Minnesota [Mr. O'HARA], raised the point that radio stations should be the same as the press, but let me point this out: When copy is submitted to a newspaper they do not have to accept it; secondly, the copy itself can be investigated and stopped if it is libelous or subject to court action later on.

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

Mr. HORAN. I yield.

Mr. McCORMACK. Stations operate under a license; newspapers do not.

Mr. HORAN. That is correct, too. Then, further, they can stop the presses. But in the case of radio broadcasting and particularly panels—and we have plenty of them—once a word goes out on the ether you cannot pull it back, and you can talk about monitoring and hanging on to the lever and stopping broadcasts as much as you want, but there it is. The words will go out despite this.

There are two people subject to being responsible when you talk about a radio broadcast; one is the broadcasting station, the other is the individual who makes the broadcast; I feel that it should be the individual who is responsible.

The O'Hara amendment will cause no end of controversy, because it makes a distinction between two types of broadcast material which should be restricted: In one the FCC as such said one thing: that there should be no censorship at all; then the O'Hara bill says there shall be complete censorship except as to political or partisan material. You would be leaving the broadcasters between the horns of the dilemma of the O'Hara bill. It will not do as good a job as he says it will.

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

Mr. HORAN. I yield.

Mr. MEADER. What bothers me about the gentleman's proposal is that it seems to take away a cause of action which is granted under State law. Is that the effect of the gentleman's amendment?

Mr. HORAN. I think that is not necessarily true, but it is not clear in my mind that the gentleman from Minnesota has completely eleminated the constitutional questions in his amendment.

Mr. MEADER. Can the gentleman point out where the Congress has the authority to repeal the libel and slander statute enacted by the legislature of my State?

Mr. HORAN. I do not think it can, but there is nothing in my bill that would take away the personal responsibility of the individual who utters the words, or of the radio station if they participated in the program.

Mr. MEADER. Under the law of the State of Washington, for example, if a defamatory statement is made against Walt Horan by the radio station, the gentleman would have a cause of action against the broadcasting station as well as against the author of the statement.

Mr. HORAN. That is right.

Mr. MEADER. How can we in Congress amend the law of the State of Washington so as to take a right of action away from an individual?

Mr. HORAN. We actually do not take away the responsibility of the station if it participates in a political broadcast and defames an individual; it does not do that. My amendment does several things; for instance, it allows you to authorize somebody in writing to speak for you in a political broadcast which is rather important, I think, in the coming elections to both sides of the House. The O'Hara bill does not do that. The *Felix* v. *Westinghouse* case states that under existing law we can do that, if I am correct in my interpretation, but there is complete liability involved on the part of the station.

Mr. MEADER. The Felix case held that the political candidate who was broadcasting and the station were subject to any laws of libel and slander.

Mr. HORAN. As I understand, it was a man by the name of Mead who was speaking for the candidate for mayor and the action included the station.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, the committee is between two viewpoints presented. Unfortunately, the committee did not have the opportunity to take this subject up in the course of hearings and consideration, though it was referred to more or less from time to time in the course of hearings and in the discussion of the Port Huron case in 1948; consequently the committee has not had opportunity to pass on this problem. I am not in position to say, therefore, that our Committee on Interstate and Foreign Commerce can take a position one way or the other. The issue simply was not presented to us and we did not have the opportunity to pass on it.

I can give my personal viewpoint. Everyone recognizes that there is a dilemma in connection with section 315, the section which refers to political broadcasts, and section 326 which refers to other types of broadcasts and censorship. This ought to be cleared up, and I make that statement very frankly.

In connection with political broadcasts I personally go along with the viewpoint of the Horan proposal because the question of censorship of political broadcasts is something that the station operator should not have control over any more so than it should with any other type of censorship. I believe also that the question of liability in connection with political broadcasts should not be on the station operator because so much may be ad libbing, so much consists of statements that are made on an individual political basis; consequently no station operator can possibly determine what the candidate or his spokesman might say over that station broadcast.

There is another difference. The O'Hara proposal applies only to the candidate himself. The Horan proposal will likewise apply to a spokesman of the candidate. That is my understanding of the two proposals.

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

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

Mr. HESELTON. This matter was discussed briefly in committee and it was definitely brought out, as the gentleman from Massachusetts indicated, that a radio station license, when up for renewal, took into consideration the radio station permitting libelous matter to go out.

Mr. HARRIS. That is true.

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

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

Mr. McCORMACK. The Horan amendment also has the additional provision that candidates for public office cannot be gouged or charged double or

more than commercial rates in connection with political speeches?

Mr. HARRIS. I understood from the gentleman from Washington [Mr. HORAN] that he intended to offer that with his amendment.

Mr. O'HARA. Mr. Chairman will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Minnesota.

Mr. O'HARA. Of course the matter of charges has to come up in connection with another section which would not affect this one.

Mr. HORAN. I might say that is in the amendment I will offer if the O'Hara amendment is voted down.

Mr. HARRIS. That is my understanding. Some action I think is necessary now although our committee did not have an opportunity to go into it. It should be cleared up. I appreciate the feeling of the gentleman from Minnesota and I respect him. I know he is sincere, but I feel in this instance the responsibility should not be imposed upon the station operator and put him in position where he knows not what he can do and subjects himself to something that he has nothing to do with whatsoever.

Mr. VORYS. Mr. Chairman will the gentleman yield?

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

Mr. VORYS. It seems to me that the O'Hara amendment gives a candidate two prospective lawsuits, neither of which are of much value because of the time involved. It gives him a chance to sue the station if they turn down or delay a script or a broadcast, because they disapprove of something in it, and it gives him a chance to sue them for libel if something comes out later, neither of which are of much value in the campaign.

Mr. HARRIS I think the gentleman from Ohio has stated the practical situation. It emphasizes the need for clarification. I speak personally, however, in support of the Horan proposal. I ask that this amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. O'HARA] to the committee amendment.

Mr. HORAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HORAN. If the O'Hara amendment is voted down, may I then offer the so-called Horan amendment?

The CHAIRMAN. The gentleman is correct.

Mr. HAND. Mr. Chairman, I ask unanimous consent that the O'Hara amendment be again reported.

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

There was no objection.

(The Clerk again read the O'Hara amendment.)

The CHAIRMAN. The question is on the amendment.

The question was taken; and the Chair being in doubt, the Committee divided and there were—ayes 37, noes 59.

So the amendment to the committee amendment was rejected.

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

The Clerk read as follows:

Amendment offered by Mr. HORAN: On page 55, after line 9, insert the following new section:

"SEC. 11. That section 315 of the Communications Act of 1934 (47 U. S. C. 315) is amended to read as follows:

" 'FACILITIES FOR CANDIDATES FOR PUBLIC OFFICE

" 'SEC. 315. (a) If any licensee shall permit any legally qualified candidate for any public office in a primary, general, or other election, or any person authorized in writing by such candidate to speak on his behalf, to use a broadcasting station, such licensee shall afford equal opportunities in the use of such broadcasting station to all other such candidates for that office or to persons authorized in writing by such other candidates to speak on their behalf.

" '(b) The licensee shall have no power to censor the material broadcast by any person who is permitted to use its station in any of the cases enumerated in subsection (a) or who uses such station by reason of any requirement specified in such subsection; and the licensee shall not be liable in any civil or criminal action in any local, State, or Federal court because of any material in such a broadcast, except in case said licensee shall willfully, knowingly, and with intent to defame participate in such broadcast.

" '(c) Except to the extent expressly provided in subsection (a), nothing in this section shall impose upon any licensee any obligation to allow the use of its broadcasting station by any person.

" '(d) The charges made for the use of any broadcasting station for any of the purposes set forth in this section shall not exceed the minimum charges made for comparable use of such station for other purposes.

" '(e) The Commission shall prescribe appropriate rules and regulations to carry out the provisions of this section'."

The CHAIRMAN. The gentleman from Washington is recognized for 5 minutes on his amendment.

Mr. HORAN. Mr. Chairman, I do not seek recognition at this time. We have discussed this quite fully, I think, so I will reserve my time.

The CHAIRMAN. The gentleman cannot reserve his time. If he desires to speak on his amendment, he must speak now.

Mr. HORAN. Not at this time, Mr. Chairman.

Mr. O'HARA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I just want to call your attention to the fact that you are creating another dubious ambiguity in your statute and also raising a very grave constitutional question in what you are trying to do here. I do not believe, and I assure you I say this in all sincerity, that the Congress of the United States could pass an act which would exempt someone—or a broadcaster from the libel laws, either civil or criminal, of the States, and that is just what you are going to be passing on in this provision.

Further, I think it is completely wrong to permit a tremendous instrumentality to act in the manner that a radio station acts in broadcasting to thousands and millions of homes and then to say that the station does not have to exercise judgment as to the type of broadcasts that are made. Just because it is a political broadcast, that it should be exempted from any liability is so completely and inherently wrong that I cannot see how the Congress of the United States would vote to whitewash such an operation.

I hope that if you are going to vote for this you will understand what you are doing and the light in which you are placing yourselves and the light in which you are placing the people who will be the victims of libelous and slanderous statements made over a radio station if you exempt that instrumentality from any responsibility or liability. If you want to do that, I am going to be completely amazed. Among the exceptions to freedom of speech is, libel, slander, and obscenity. Are you inviting all of these under the guise of special privilege? If so, then I say: "Father forgive us, for we know not what we do."

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

Mr. Chairman, the amendment offered by the gentleman from Washington is a very carefully thought-out one. The issue has been presented to the members of the Committee of the Whole today. The principle involved in the amendment offered by the gentleman from Minnesota was not approved by the committee. This amendment sets forth the other principle involved. I have already expressed myself on it.

It seems to me that a radio station should not be held accountable for political speeches made. We are all practical persons. We know as a result of our own experience participating in radio programs just what the situation is. There are occasions when I have spoken on a radio program without a note. I do not like to do it, but sometimes when you are rushed and pushed and have not had time to reduce your thoughts to writing and you are booked for a radio speech you just have to take the chance. I have even gone in occasionally and made a radio speech from a few notes hastily put on a piece of paper prior to going on the air. There is nothing to stop a person from ad libbing. It seems to me that where the possession of a license is a condition precedent to a business enterprise, and that is important to my mind, to impose the laws of libel upon the station under such conditions in respect to political speeches would be imposing a liability upon an innocent person. I am speaking today for business. I try to apply my thoughts in the way which I think is in the right direction, and in this case I think it is only fair and right that the amendment offered by the gentleman from Washington [Mr. HORAN] should be incorporated into law. Then there is the other aspect. Certainly, if we are going to do anything now about proper and justifiable protection of men and women who aspire to public office in the use of radio stations and television stations, now is the time to see that we are not charged more than the minimum commercial rate charged to others.

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

Mr. McCORMACK. I yield.

Mr. GROSS. I think that is one of the most important provisions in this amendment.

Mr. McCORMACK. I agree with the gentleman.

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

Mr. McCORMACK. I yield.

Mr. ELLSWORTH. I agree with the gentleman regarding the matter of gouging political candidates, but I call the attention of the gentleman to the wording of the amendment, which says that the charge shall not exceed the minimum charge made for comparable use of such station for other purposes. In practical operation, that goes way beyond what the gentleman has mentioned, namely, giving political candidates the same rights as anyone else.

Mr. McCORMACK. I may state to my friend that that can be worked out in conference. There are two rates—the national rate and the local rate. The national rate, as I understand it, is higher than the local rate. There is no reason in the world, if we talk over local stations, they should charge us the national rate.

Mr. ELLSWORTH. Yes, but the practical effect of the wording of this amendment, as I am calling it to the attention of the gentleman, is that it would require stations to give to political candidates its lowest contract rate given to anybody for any other purpose.

Mr. McCORMACK. I might say it is going to conference. What I have in mind is that the national rate is higher than the local rate, and I do not think they ought to charge candidates for political office more than they charge on the national level for commercial advertisers or on the local level for commercial advertisers. But, I agree that there is something to that wording and that can be considered in conference.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment, and all amendments thereto, close in 5 minutes.

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

There was no objection.

Mr. VORYS. Mr. Chairman, in this puzzling dilemma I find that I am in support of the Horan solution. On the question of free speech, it seems to me that it offers a better solution. There are four different rights involved here: First, the right of the candidate to have his say; second, the right of the public to hear what he has to say; third, the right of the transmitter or the radio station; and fourth, the right of the candidate not to be legally defamed and have the defamation multiplied and spread by this wonderful contraption called television or radio.

If we were to adopt the method of imposing on the radio station legal liability for what is said, we would then perforce have to give them, as the O'Hara amendment did, a degree of censorship over what is said, and if they overcensor our speeches or delay censoring them so that we cannot get on the air, we could sue the station, and if a libelous statement or defamatory statement of an opponent went over the air, a candidate would have a lawsuit against the station. In a political campaign neither of those lawsuits would amount to much. They would be tried long after the campaign damage had been done. We know that defamatory statements do come out in campaigns. Lies are circulated, published, spoken in the course of a campaign against us. I have had that happen this year and in preceding years. Legal remedies are not very effective. On the other hand, anything that tends to cut down on free speech for me or my opponent is not a very good solution. I regret that this great committee did not see fit to go into this most important and perplexing matter, but they did not. The best solution, it seems to me, that we have a chance to vote on today is the one proposed by the Horan amendment. I therefore support it.

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

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

Mr. MEADER. Does the gentleman believe as a matter of constitutionality that the Congress can do anything about the causes of action under a State law? Is he satisfied that the Horan amendment is constitutional?

Mr. VORYS. I have not had time to give much thought to it, but I would think that as to the Federal courts it is a constitutional limitation. I would think as to a State court action it would probably constitute a defense, in that this is an immunity that goes along with a Federal license granted under Federal law in an interstate transaction. It would be necessary to plead this immunity to permit it to be a defense to a State action. I have not given a great deal of thought to that phase of it.

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

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

Mr. DONDERO. Suppose your political opponent said over the air that you were a secret thief; purely false. Do you think the radio station should be placed in any different position than a newspaper for spreading that lie?

Mr. VORYS. I think if the radio station people knew beforehand of the statement, and therefore participated in it, they should be liable, and they are, under the Horan amendment. The difference between a newspaper and a radio station is this: A newspaper does not have two rival candidates walking into the composing room and composing whatever they please that is going to be printed in the paper. That is what a radio station does when it permits a panel discussion or debate on its station, with questions and answers. I believe those debates and discussions are of great value. There is some dirty work done in the course of them, but I do not believe that sort of thing should constitute liability on the part of the station. On the other hand, if the station in any way participates—and that wording is in the Horan amendment—if they have taken any part in broadcasting any libelous or defamatory matter, I am of the opinion that they would be liable under the Horan amendment.

Mr. O'HARA. The Horan amendment makes them exempt.

Mr. VORYS. No. There is an exception in the Horan amendment, in cases where a radio station willfully participates, imposing liability on the station.

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

All time has expired.

The question is on the amendment offered by the gentleman from Washington [Mr. HORAN] to the committee amendment.

Mr. HARRIS. Mr. Chairman, I understood the gentleman from Michigan [Mr. HOFFMAN] was attempting to offer an amendment to the amendment.

The CHAIRMAN. The time has been fixed by the gentleman himself.

Mr. HARRIS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HARRIS. The fact that the time has been fixed and has expired does not prohibit the gentleman from offering an amendment to the amendment, does it?

The CHAIRMAN. The gentleman is correct, if the amendment is otherwise in order. I understood the gentleman from Michigan was offering an amendment to this amendment.

Mr. HOFFMAN of Michigan. That is right.

The CHAIRMAN. The Chair will state to the gentleman that that was the same ruling the Chair made on the Horan amendment to the O'Hara amendment. The Chair therefore must make the same ruling, that it would be an amendment in the third degree and is not in order.

Mr. HOFFMAN of Michigan. Mr. Chairman, a parliamentary inquiry. The O'Hara amendment having been defeated, is not the Horan amendment an amendment in the first degree, and my amendment would be an amendment to that?

The CHAIRMAN. The present amendment is an amendment to the committee amendment. So your amendment would be an amendment in the third degree and is not in order.

Mr. DONDERO. Mr. Chairman, I ask unanimous consent that the Horan amendment be again read for the information of the House.

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

There was no objection.

(The Clerk again read the Horan amendment.)

The CHAIRMAN. The question is on the Horan amendment to the Committee amendment.

The question was taken; and on a division (demanded by Mr. HOLIFIELD) there were—ayes 92, noes 27.

So the amendment was agreed to.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I just voted against this amendment; and while I realize it will not do any good to talk now about it, it may not be the first occasion that I have

spoken when it did not do any good but the adoption of this amendment cannot be permitted to pass unnoticed. I wonder if the Members of the House realize what has been done here. The adoption of the Horan amendment is an invitation to conduct a dirty campaign, though no doubt its author and those who voted for it thought it would contribute to fairness and free speech.

For more than 2 years I have had pending before the Judiciary Committee a bill to make one who libels or slanders another—and the courts have not finally decided whether a defamatory statement over the radio is libel or slander—to make the one who utters either liable in the district—that is, the Federal Court district—where the libel is heard and the victim of the false defamatory statement resides. I offered that bill and was promised a hearing by a subcommittee several years ago, but I have never been able to get it.

Think where you are under this amendment and where you were before. Somebody in New York, irresponsible financially, gets time and broadcasts anything he wants to, any false, malicious statement he can persuade the station to accept, about you as a candidate, your wife or children if he wants to bring them into it, and what can you do about it? If you live in California you can come down to New York, if that is where the broadcast was made, if you have the money and can hire a lawyer, and if you think you can get a fair trial in New York on that particular issue as to whether or not you are a skunk or a crook, and can get service, you can sue. Will you get a verdict? Will you get justice? If the broadcaster happens to go to California and you catch him there, you formerly could sue him and the station, but not the station under this amendment. If another citizen in California, or someone being in Califoria, libels or slanders you, you may sue him in the district where he lives or where you live if he comes into your district. You have him. Suppose someone libels me and he comes to my district, to my home county, I can sue him if I can get service, but under the Horan amendment I cannot sue the station unless it acted willfully. If the broadcaster comes to the western district of Michigan and I can catch him there I can sue him, but if he stays down in New York I cannot do a thing about it. Now with this amendment—if it be valid law, and that I doubt—my right to sue the station is taken from me unless I can prove those operating it acted with malice. The maker of the statement can call me everything and anything he thinks of or anything anyone can tell him he thinks of me and I am absolutely without a remedy if he is financially irresponsible. I say that is a most outrageous situation and I do not know why Members of Congress do not protect themselves and all other good citizens from these vile, vicious slanderers who may be able to get some station to let them broadcast over the whole Nation.

The rule with reference to newspapers is this and always has been under the statute and common law: If a newspaper in Detroit, for example, prints a libel about me and they sell the paper in the Fourth Congressional District of Michigan or in my county, I can get service by joining the local man who sells the paper, and sue them and make them answer in damages. But over the radio station in Detroit, New York, or anywhere else, a chronic liar can say anything he wants about me, and I am without remedy, if he is not financially responsible, unless I can show the station intended to vilify me.

This amendment not only takes away the right to sue the station in the local court, but it takes away the right to sue in your own local court when someone slanders you and the broadcast is heard there, unless you can bring the statement within the exception. The rule should be that wherever a broadcaster, who utters libel or slander, is heard, there a man may have his remedy in his own court, in his own district before a jury, against both the speaker and the station which makes it possible.

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

Mr. HOFFMAN of Michigan. I yield to the gentleman from California.

Mr. HINSHAW. As the gentleman knows, the Committee on the Judiciary of the House recently brought a bill out relating to fraud over the radio. It seems to me it would be appropriate indeed for the same committee to consider the subject the gentleman has outlined and assist us in preventing such terrific slander as has been going on and which we have been unable to combat, as the gentleman has outlined.

Mr. HOFFMAN of Michigan. I hope that the Members who voted for this amendment will never be slandered or libeled by someone who is financially irresponsible and who lives so far away you cannot get service on him or the station over which he puts out his dirt, and make him answer. This amendment, as I said in the beginning, is an invitation to a foul, dirty, vilifying campaign over the radio.

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

Mr. HOFFMAN of Michigan. I yield to the gentleman from Michigan.

Mr. DONDERO. I think the amendment which the committee has just adopted is an invitation for the lowest kind of a political campaign. Those who, without any financial responsibility, desire to defame another just places a candidate, no matter what party, in a very absurd position.

Mr. DONOVAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DONOVAN. A member of this Committee who voted in the negative on this amendment as I did cannot, under any circumstances, make a motion to reconsider the vote by which the amendment was adopted, can he?

The CHAIRMAN. A motion to reconsider is not in order in the Committee of the Whole.

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

The Clerk read as follows:

Amendment offered by Mr. SHEPPARD: Page 46, line 4, strike out lines 4 through 15, inclusive.

Mr. SHEPPARD. Mr. Chairman, I have offered this amendment because upon investigation, I have found that such a clause would in the minds of many, and particularly in the eyes of the Federal Communications Commission, immunize the newspaper, radio, or TV applicants to a point where the FCC could not consider the serious problem of whether licensing a newspaper to also operate a radio or TV station was not in the public interest, because in so doing it would put in the hands of the newspaper a tremendous monopolistic control of the public opinion, information and public news dissemination channels.

I have learned from radio stations that the past history of some newspaper-operated stations, was definitely not in the public interest, in so that they create an unbalance in the competitive structure and economy of the non-newspaper stations serving the same community.

At present, the FCC has reported to me that about 25 percent of the radio stations are already owned by newspapers.

At this point, I would like to go on record that I have nothing against newspaper ownership of radio stations, when such ownership is in the public interest, convenience and necessity, but if a radio or TV facility is requested by a non-newspaper applicant as well as a newspaper applicant for the same channel, I feel that the FCC should be free to decide which application is in the best public interest, and grant it to that applicant.

Section 7 (c) of S. 658, as amended by the House Interstate and Foreign Commerce Committee would prevent the Federal Communications Commission from doing just that. Therefore, I urgently request that this section 7 (c) be deleted from the proposed legislation, because it immunizes newspaper radio or TV station applicants from the above considerations.

I think that it is well to point out the view of the Department of Justice in regard to the attempts of the newspaper lobbyists to immunize them from certain provisions of the Communications Act. In the original—McFarland bill—S. 1973 there appeared section 14, which attempted to make newspaper, radio, and TV applicants a privileged group. The original bill, S. 1973, was reintroduced and passed in the Senate in this session, and became S. 658, however section 14 of the bill was deleted. Now we find this dangerous provision in new wording in the form of section 7 (c) of S. 658, now before the House, the effect of which is the same as former section 14 of the bill which was deleted by the Senate and on which, the Department of Justice clearly testified against.

I, am I am confident most of you here, are definitely opposed to the setting up of any one privileged group, by any

provisions of the Communications Act, which would privilege and immunize that one group in such a way as to prevent the FCC from considering all the aspects of the Communications Act, as it relates to the public interest, convenience, and necessity, on which factors the entire concept of the act is founded.

I, and I know many of the radio station operators sincerely hope that such a setting up of a privileged few, will not happen in this House, and that section 7 (c) of S. 658 will be deleted from the House version of the bill, the same as a similar provision was deleted from the bill in the Senate at the recommendation of the Justice Department and several other testifying witnesses.

Serious consideration must be given this deletion of section 7 (c), as well as the Federal Communications Commission recommendation, that the intent of Congress on the rebroadcast provision section 325 (a) be clarified by legislation in light of the recent developments of network or chain broadcasting.

Consequently, Mr. Chairman, I ask the Members to consider seriously and vote in behalf of the amendment I have presented.

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

Mr. SHEPPARD. I yield to the gentleman from Arkansas.

Mr. HARRIS. The Committee on Interstate and Foreign Commerce gave serious consideration to the amendment to which the gentleman refers, which he would strike out by his amendment. The committee reported this amendment to the Federal Communications Act in view of the fact that recently members of the Federal Communications Commission have insisted that the intention of the original law would be to deprive an applicant who is in the business of disseminating news of a license if there is another applicant who is applying for that same facility.

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

(On request of Mr. HARRIS, and by unanimous consent, Mr. SHEPPARD was allowed to proceed for three additional minutes.)

Mr. HARRIS. Our intention in reporting the amendment was to see that there would be no discrimination against an applicant because he might be in the newspaper business, solely because he was in that business of disseminating news. It was in no way to give any preference to newspaper applicants.

Would it be the intention of the gentleman to strike this provision to give further emphasis to the contention of some in the Commission that the intent of the law was to discriminate against a newspaper applicant?

Mr. SHEPPARD. My answer to the gentleman is definitely "No." I think very frankly that if the Congress in its present conversations would clearly indicate that that is not the intention, by the striking of this section as my amendment proposes, you would answer the same purpose and do away with the nullifying language that presently obtains. I do not want my amendment in any manner to lend any justification or credence to the position of the Federal Communications Commission that there should not be equity in the consideration of applicants. That is why I am offering this amendment.

Mr. HARRIS. In other words, the gentleman and I have the same intention; we want to accomplish the same objective. We feel as a committee that this objective would be accomplished by this amendment, but the gentleman is fearful of what it would do. The gentleman thinks the objective we have in mind will be accomplished without it?

Mr. SHEPPARD. I am definitely of that opinion, not only within myself but based on legal decisions I requested prior to taking this amendment to the floor.

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

Mr. Chairman, I believe this amendment has been discussed in general debate and since we started reading the bill for amendment until its purpose is very clear. I think the gentleman from Arkansas in a very few words stated the position of the committee in his colloquy with the gentleman from California.

I respect the gentleman from California and regard him very highly. I feel certain he and I have the same objective in mind, although we see it from different viewpoints. This is an amendment that I offered in the Committee on Interstate and Foreign Commerce and it was adopted. I want to read the language of the amendment. It might help to clarify the situation just a bit:

> The Commission shall not make or promulgate any rule or regulation, of substance or procedure, the purpose or result of which is to effect a discrimination between persons based upon interest in, association with, or ownership of any medium primarily engaged in the gathering and dissemination of information and no application for a construction permit or station license, or for the renewal, modification, or transfer of such a permit or license, shall be denied by the Commission solely because of any such interest, association, or ownership.

Mr. Chairman, I am just as strongly opposed as any Member of the House to any proposition that would authorize and establish or encourage a monopoly of news-gathering and news-disseminating agencies in a community. I believe that competition is an extremely healthy thing in this field. I feel at the same time that simply because an individual is a publisher of a newspaper, and applies for a license to operate a radio or television station, there should not in a sense be two strikes against him to begin with. For that very reason I offered this amendment in the Committee on Interstate and Foreign Commerce.

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

Mr. PRIEST. I yield.

Mr. SHEPPARD. I wonder if the gentleman can tell me any specific case or cases in which an applicant, being a newspaper was rejected by the Federal Communications Commission, which would justify the language that the gentleman offers in this instance.

Mr. PRIEST. In response to the gentleman, may I say that I feel that the language in this amendment is the best language that could be developed to deal with a situation in which a majority of the committee felt needed some expression of congressional intent. Earlier in the day in a colloquy with the gentleman from California [Mr. MCKINNON], I tried to emphasize in response to some questions which he asked, that the public interest must always be paramount; that in deciding between various applicants for licenses, the Commission must first of all be governed by the public interest. I do not believe that the public interest is best served by granting a monopoly to news-gathering or news-disseminating agencies. Therefore, it seems to me that this amendment emphasizing that applicants shall not be discriminated against solely because they have an interest in the operation of a newspaper, is necessary in the bill. The public interest is still paramount, and the public interest will still guide the Commission, and the public interest, cannot best be served by granting a monopoly.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield.

Mr. MARTIN of Massachusetts. As I understand the gentleman's amendment, it does not give the owners of newspapers any special privileges? It does not provide that any monopoly should exist, but simply says that because a man happens to own a newspaper, he shall not be discriminated against when he applies for a license to operate a radio or television station; is that correct?

Mr. PRIEST. That is certainly the purpose of my amendment, and that is what I had in mind in offering it. I believe the language of the amendment does just that.

Mr. MARTIN of Massachusetts. And the defeat of the amendment at this time might well be interpreted as a go-ahead signal to discriminate against them; is that not correct?

Mr. PRIEST. I feel it might be so interpreted.

Mr. MARTIN of Massachusetts. I hope the amendment offered by the gentleman from Tennessee [Mr. PRIEST] will prevail.

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

(Mr. PRIEST, at the request of Mr. SHEPPARD, was given permission to proceed for two additional minutes.)

Mr. SHEPPARD. May I say to my colleague, for whom I have a great affection, that I would expect the newspaper interests to manifest their views on the floor of the House. However, in order that we may not have any confusion about the intent of section 7, or what it may mean, I ask the gentleman at this time to clearly define for the CONGRESSIONAL RECORD how the words "association or ownership" would be interpreted. If the gentleman will do that, or clarify that, I would be quite pleased. I think those two words should be defined for the benefit of the practice of the Commission.

Mr. PRIEST. The gentleman refers to the words "any such interest, association, or ownership." Of course, I think the ordinarily accepted definition of the words would apply in this case. There is not any meaning of the words intended other than the regularly accepted mean-

ing. An applicant might be associated with a newspaper. He might have an association with it simply because he is an employee. He might be an editor, and he might apply for a license as an individual. He has an association with a newspaper because he is the editor-in-chief, or the managing editor, or the executive editor.

Mr. SHEPPARD. Will the gentleman assert in his statement that the word "association" here to the full extent of its meaning means an association with or a comember of a newspaper making application and as such might be objectionable to the Commission so far as the granting of a permit to operate a radio or television station? Would the gentleman go so far in defining those words?

Mr. PRIEST. I am not quite certain that I understand the gentleman's question. I tried to follow him, but frankly I do not quite get the purport of his question.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. PRIEST] has expired.

(By unanimous consent, at the request of Mr. SHEPPARD, Mr. PRIEST was granted five additional minutes.)

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

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

Mr. SHEPPARD. To define what I am trying to clarify, here is an association that is a functioning entity and it is a copartnership with a newspaper. The conduct of the newspaper within itself is quite acceptable, but insofar as the operations of said association are concerned, they are not acceptable for the purpose of granting a license for the purpose of disseminating news.

Mr. PRIEST. That goes back to the fundamental basis for granting any license, that is, the public interest. I think the question of serving the public interest would answer the gentleman's question fully and completely and in every respect in that connection. Bear in mind always that that must be the first guide of the Commission. The purpose of this amendment simply was to say that solely because of this interest there should not be discrimination.

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

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

Mr. LANHAM. Does the gentleman think that the Commission could refuse to grant a license, if it tended to create a monopoly, to a newspaper?

Mr. PRIEST. As far as the gentleman from Tennessee is concerned, he does feel that they could, on the basis that granting a monopoly is not in the public interest.

Mr. LANHAM. Even under the gentleman's amendment?

Mr. PRIEST. Even under the gentleman's amendment. I am fully satisfied that they can do so.

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

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

Mr. ARMSTRONG. I want to compliment the gentleman on his amendment and ask him if he does not think that the antitrust laws will be sufficient to take care of any monopoly that might arise?

Mr. PRIEST. Yes. I do feel so.

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

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 15 minutes.

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

There was no objection.

Mr. DOLLIVER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California [Mr. SHEPPARD]. It seems to me that his amendment and his remarks about it display what seems to be a misconception of the purpose of the provision appearing on page 46, section (d).

This is not a provision to give a special privilege to newspapers or any other media of dissemination of information. It is to secure to them the same treatment that other applicants may have. Perhaps you think that the committee in putting this provision in, leaned over backwards in an attempt to prevent discrimination against other media of information, in applying for radio licenses. The fact is there was some discussion before our committee which indicated that in years gone by there was a definite move in the Radio Commission to cut off or cut out any newspapers from operating radio stations.

True, that move did not come to any real fruition; that is, no rule was adopted at the close of those hearings; but, certainly, the very fact that the hearings were held by the Commission, even so, raised some apprehension and some fears in the hearts of people who are engaged in the dissemination of information, and they could not see why they should be picked out as the object of discrimination by the Communications Commission when it came to the granting of radio licenses.

The committee went into this matter very carefully and made some revision of the original proposed amendment to take care of this situation and came up with the language which you now see before you on page 46.

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

Mr. DOLLIVER. I yield.

Mr. HALLECK. As the gentleman will perhaps recall I served on the Interstate and Foreign Commerce Committee for a great many years. Through those years we frequently had occasion to deal with legislation concerning the radio industry; through those years we constantly heard threats to deprive all newspaper people of the right to have radio stations. As I listened to those arguments I then became convinced that the imposition of any such arbitrary rule would not be fair and would not be right and I have consistently opposed that proposition. So, certainly, here today I shall not support this amendment; as a matter of fact I am in opposition to it and I hope that it is not adopted.

Mr. DOLLIVER. Mr. Chairman, the gentleman from Indiana has expressed very succinctly the background behind this provision. Over the years there has been a trend or tendency on the part of some members of the Commission to take an arbitrary attitude. Again, I say that this provision, as was pointed out by my colleague from Tennessee, does not give any special privilege to newspapers or other people engaged in the dissemination of news; it does not give them any special privilege, because the primary thing in granting licenses is the public interest, convenience, and necessity. All this provision does is to prevent the Commission from taking an arbitrary stand that solely because an applicant is engaged in the dissemination of news otherwise, he shall not be denied the right to have a radio license.

I hope the amendment offered by the gentleman from California [Mr. SHEPPARD] to delete provision (d) on page 40 will be defeated.

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

Mr. DOLLIVER. I yield.

Mr. HINSHAW. I think it might be explained that this matter arose due to a decision which was rendered on June 18, 1951, when the Chairman of the Commission and one of the members made a statement to the effect that there should be no multiple ownership of news-disseminating agencies. The whole Commission did not go along with this, but in view of the fact that a part of the Commission had taken this other viewpoint and the majority ruled against them we decided to consider the matter in committee.

Mr. DOLLIVER. That illustrates the fact I mentioned a moment ago, that there has been a threat on the part of some members of the Commission to take that position.

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

The gentleman from Florida [Mr. ROGERS] is recognized.

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

Mr. ROGERS of Florida. I yield to the gentleman from Arkansas.

EXPLANATION AND LEGISLATIVE HISTORY OF NEWSPAPER AMENDMENT

Mr. HARRIS. The so-called newspaper amendment—which is contained in section 7 (c) of the amendment proposed by the House Committee on Interstate and Foreign Commerce to S. 658—reads as follows:

> The Commission shall not make or promulgate any rule or regulation, of substance or procedure, the purpose or result of which is to effect a discrimination between persons based upon interest in, association with, or ownership of any medium primarily engaged in the gathering and dissemination of information and no application for a construction permit or station license, or for the renewal, modification, or transfer of such a permit or license, shall be denied by the Commission solely because of any such interest, association, or ownership.

The following explanation of the newspaper amendment is contained on page 9 of House Report No. 1750 which accompanied S. 658 as reported by the committee:

> The new subsection deals with the question of how newspapers ought to be treated

with respect to the granting of construction permits and station licenses.

The intended effect of this new subsection is to prohibit the Commission from adopting any blanket rule or from following any arbitrary policy with respect to the granting of radio and television licenses the effect of which would be to reject newspaper applications for such licenses—or to prefer nonnewspaper applications for such licenses over newspaper applications—solely because the newspaper applicant is primarily engaged in the gathering and dissemination of information.

The language used in section 7 (c) has been interpreted by some persons as dealing with radio stations and motion picture companies as well as newspapers. Whether this construction of section 7 (c) is proper, is open to argument. It is clear, however, that in adopting this section the committee was influenced by the history of the Commission's policy with respect to the granting of broadcast licenses to newspapers, and by the legislative history of prior legislative proposals designed to deal with the same problem.

A predecessor bill to S. 658, namely, S. 1973, Eighty-first Congress, first session, contained in section 14, the following provision:

LIMITATION ON RULE MAKING POWERS: DISCRIMINATION PROHIBITED

SEC. 332. No sanction shall be imposed or substantive rule or order be issued except within jurisdiction delegated to the Commission and as authorized by law. The Commission shall make or promulgate no rule or regulation of substance or procedure, the purpose or result of which is to effect a discrimination between persons based upon race, religious or political affiliation or kind of lawful occupation or business association.

S. 1973, as reported by the Senate Committee on Interstate and Foreign Commerce omitted this provision and the report accompanying S. 1973—Senate Report No. 741, Eighty-first Congress, first session—on page 2 contained the following explanation as to why this section was dropped from the bill:

The committee desires to call particular attention to one amendment—namely, section 14—which was contained in the measure as first introduced and has now been eliminated. This section read as follows:

"No sanction shall be imposed or substantive rule or order be issued except within jurisdiction delegated to the Commission and as authorized by law. The Commission shall make or promulgate no rule or regulation of substance or procedure, the purpose or result of which is to effect a discrimination between persons based upon race, religious or political affiliation, or kind of law occupation or business association."

The committee deems it important to point out why this section was dropped from the bill. This language was first proposed nearly 6 years ago during hearings on a Communication Act amendments bill, solely because the Federal Communications Commission at that time had under consideration a rule which would prohibit newspapers from becoming holders of radio licenses. While the Commission may have been motivated, in part at least, by the best intentions in seeking to prevent monopolistic control of organs of public expression in a community, its threatened action was of questionable constitutional validity, particularly in the absence of specific authority in the basic act to adopt such a rule. However, the net effect of the Commission's proposed antinewspaper rule was to deny consideration of applications from newspapers, all such applications having been placed in a pending file. After reflection for some 2 years, the Commission dropped all plans for such a rule and began processing of newspaper applications in the same manner as other applications.

In testimony on the bill (S. 1973) before this committee, the Commission spokesman pointed out that present Commission practice and procedure has been in accord with that which had been intended by the original language, some question was raised as to whether or not the proposed new language might not be construed or interpreted to provide a different or modified procedure from that now being followed. The committee, therefore, decided to eliminate the proposed section. It should be distinctly understood that in eliminating this section the committee has done so solely because the Commission is now following the procedure which was outlined in the section, has testified that it intends to follow that procedure, and that it is of the opinion that it has no legal or constitutional authority to follow any other procedure.

S. 1973 subsequently passed the Senate, and the House Interstate and Foreign Commerce Committee held hearings on S. 1973, but the bill was not reported.

During the hearings on S. 658 held in August 1950 and April 1951 by the House Committee on Interstate and Foreign Commerce, and in executive consideration of the bill, the subject of the Federal communications policy with respect to newspaper applicants was discussed by witnesses and members of the committee. Fear was expressed that the Commission might at some future date attempt to adopt a blanket rule or follow a blanket policy of denying applications for radio or television station licenses solely because the applicant is engaged in the gathering and dissemination of information. This apprehension was strengthened by a statement of the Commission's policy concerning newspaper applicants contained in a dissenting opinion of the then Chairman—in which he was joined by Commissioner Webster—in the case of the application of Hearst Radio, Inc.—WBAL—and Public Service Radio Corp. which was decided on June 18, 1951. Chairman Coy's statement read as follows:

The Commission is committed to the principle that unless there are overriding considerations, preference should be given to a nonnewspaper, nonmultiple-owner applicant as against an applicant which publishes a newspaper or has other broadcast stations in order to encourage the greater diversification of control of the media of mass information. This principle, unlike that of integrated and local ownership, is not grounded on the fact that there is any basis for assuming that one applicant is more likely to carry out its program proposals than the other, but is a reflection of the congressional policy expressed by the Communications Act, and that the public interest is best served by having as wide an ownership as possible of the media of mass communications.

The majority of the Commission failed to go along with the views expressed by the then Chairman Coy and Commissioner Webster. It had the following to say with respect to newspaper applications:

Newspaper ownership does not automatically disqualify an applicant. It is a factor which is considered, but only in relation with the other aspects of comparative determination and as it bears upon the final decision of whether a grant to the applicant in question is in the public interest. The record does not show that the common control of WBAL and the Baltimore newspaper, has been employed adversely to the interests of the listening public, and an inference can reasonably be drawn that these conditions which have previously obtained will continue.

The views held by the Commission majority with respect to the interpretation of the Communications Act in connection with newspaper applications for radio and television licenses accurately reflect the views on this subject held by the House Committee on Interstate and Foreign Commerce. However, because a substantially different exposition of the Commission's policy with respect to newspapers was made by the then Chairman Coy and by Commissioner Webster, and because it was claimed that this exposition of the Commission's policy reflected congressional policy expressed in the Communications Act, the House committee felt it desirable to include in S. 658 the so-called newspaper amendment. It is the purpose of this amendment to make it clear beyond any reasonable doubt that the Communications Act does not authorize adoption by the Commission of any blanket rule or any arbitrary policy with respect to the granting of radio or television stations to newspapers.

Mr. ROGERS of Florida. Mr. Chairman, we discussed this problem in detail in the Interstate and Foreign Commerce Committee. As stated by the gentleman from Tennessee [Mr. PRIEST] he offered the amendment and after long discussion of it I do not believe there was any opposition at all when it came to a final vote on the amendment. All of us concurred in the viewpoint that there should be no discrimination against newspapers. That is all it means. It is simple. It says that the Commission shall issue no rules or regulations that will discriminate in any way against newspapers, newspaper owners, or those associated with the newspaper business. That is all that is provided. It is in the negative, it states they shall not refuse to issue a license solely because of the fact that one may have an interest in a newspaper. I think that is a fair provision. If a man owns a newspaper and shows that it is in the public convenience and necessity for him to operate a station in his vicinity I do not think the Commission should hold that against him. I do not think they should say to him: "You have a newspaper down there, so we will not give you a license to operate a radio station."

Mr. Chairman, that is all this amendment means and I hope that the Committee of the Whole will not adopt the amendment offered by the gentleman from California.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. There has been the contention in many communities of the country that the people would be without any radio service at all unless someone connected with a newspaper applied for a license.

Mr. ROGERS of Florida. That is correct. The newspapers render a great public service and if they can continue to render a great public service, if they can increase their public service through the radio field, they should not be discriminated against in that effort.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Then the gentleman is opposed, as I understand him, to the Sheppard amendment?

Mr. ROGERS of Florida. Absolutely.

Mr. BROWN of Ohio. He is for the provision in the bill?

Mr. ROGERS of Florida. I supported it in committee.

Mr. BROWN of Ohio. That is my understanding.

Mr. ROGERS of Florida. I am wholeheartedly for it, I think that the provision should be left in the bill and not taken out, and I therefore oppose the amendment offered by the gentleman from California [Mr. SHEPPARD].

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

Mr. BROWN of Ohio. Mr. Chairman, the Sheppard amendment to strike out paragraphs (c) and (d) on page 46 of this bill is the amendment which I warned against in my discussion of the rule making this bill in order. I told you at that time I had been advised attempts would be made to strike out this section, which would prevent discrimination against those who might be engaged in or associated with the publishing industry in connection with the granting of radio and television station licenses.

At that time I pointed out to you that a number of years ago, when I served on the Committee on Interstate and Foreign Commerce, we had a situation where a chairman in control of the Federal Communications Commission was so utterly opposed to the granting of any sort of radio license to anyone engaged in the publishing business that he simply sat on the applications for licenses throughout his entire term of office.

What this committee has done wisely and well in preparing this new communications code or law is to write into the law a provision that there shall be no discrimination because of a person being engaged in any particular business or profession. Now that provision does not discriminate in favor of anyone engaged in publishing, but it simply provides that any person engaged in any other business shall not be discriminated against in the issuance of licenses. As the gentleman from Tennessee so ably pointed out, if there is any reason why, in the public interest, any individual or any concern, whether a publisher or a publishing concern, should not be given a radio station license or television license, and that reason can be substantiated in a court of law if it becomes necessary, then the license can be withheld.

Now remember, if we do not keep this provision in the law, if we strike it out, if the Sheppard amendment is adopted, we will be saying by our action that the House does believe in discrimination and that by your votes we have arranged it so that the Federal Communications Commission can discriminate if it pleases and desires to do so. If the Commission can discriminate against one individual in the granting of radio licenses, or one business or one industry, then there is nothing in the world to keep the Commission from discriminating against any other individual or person, or any other industry or business.

What we want to do—and I believe it is the desire of this House, and I know that it has been the desire of this great Committee on Interstate and Foreign Commerce—is to provide in the law that all American citizens, all individuals, who may apply for a radio station license or television station license shall be treated the same; that there shall be no discrimination; that the Commission shall reach its final judgment and decision only on the basis of what is in the best interest of the public, and as to which applicant can best serve the public. In some instances I agree with you that a newspaper should not have a radio license, but there are many small communities where you cannot have a good radio station unless you have ownership by the small local newspaper. I have no radio connection of any kind, but unless there is a newspaper that can help furnish the news service and can work the two together, the community cannot support a small radio station properly, and it cannot furnish properly good service, so, in many instances, that is to the best interest to the public to have a newspaper also operating a radio station.

Mr. Chairman, I hope his amendment to strike out this section will be voted down and that the action of this great Committee on Interstate and Foreign Commerce which has had many long years of experience with radio law and radio problems will be sustained.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent to revise and extend the remarks I made a moment ago when my distinguished colleague, the gentleman from Florida [Mr. ROGERS] yielded to me.

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

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. SHEPPARD].

The amendment was rejected.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendent as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BONNER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 658) to further amend the Communications Act of 1934, pursuant to House Resolution 620, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

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

The question is on the amendment.

Mr. O'HARA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. O'HARA. Is the question on the Horan amendment?

The SPEAKER. The question is on the Committee amendment as amended.

Mr. O'HARA. The Horan amendment was adopted. May I inquire whether a separate vote can be demanded on the Horan amendment?

The SPEAKER. Not on that amendment. It was an amendment to the committee amendent.

Mr. HALLECK. Mr. Speaker, a parliaentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. In view of the fact that the matter before us is a Committee amendment, a complete amendment to the whole bill, would any motion to recommit, except a straight motion to recommit, be in order?

The SPEAKER. That is the only motion that would be in order under the rule.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

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

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

The bill was passed.

A motion to reconsider was laid on the table.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the bill just passed be printed with the amendment of the House numbered.

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

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

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

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

There was no objection.

COMMITTEE ON EDUCATION AND LABOR

Mr. SMITH of Virginia. Mr. Speaker, on behalf of the gentleman from North Carolina [Mr. BARDEN], I ask unanimous

consent that the Committee on Education and Labor may have until midnight tonight to file a report on the Allen resolution.

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

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, is there a minority report that might also be filed, or is this a unanimous report?

Mr. SMITH of Virginia. I am unable to inform the gentleman about that. I am just complying with a request I had from the gentleman from North Carolina [Mr. BARDEN] that I make this request for him, that the committee have until midnight tonight to file a report.

Mr. MARTIN of Massachusetts. I do not object to that, but if the Republicans want to file minority views I would like that to be included in the request.

Mr. SMITH of Virginia. I will include that in my request, Mr. Speaker, that the minority on the Committee on Education and Labor may have until midnight tonight to file minority views.

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

There was no objection.

EMERGENCY APPROPRIATIONS FOR ERECTION OF POST OFFICE AND FEDERAL COURT BUILDINGS

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 694, Rept. No. 2185), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately 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. 7778) to authorize emergency appropriations for the purpose of erecting certain post office and Federal court buildings, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-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.

AMENDING LEGISLATIVE REORGANIZATION ACT OF 1946 TO PROVIDE FOR MORE EFFECTIVE EVALUATION OF FISCAL REQUIREMENTS OF EXECUTIVE AGENCIES OF THE GOVERNMENT

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 695, Rept. No. 2186), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately 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. 7888) to amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Rules, the bill shall be read for amendment under the 5-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.

AMENDMENT AND EXTENSION OF DEFENSE PRODUCTION ACT OF 1950

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 696, Rept. No. 2187), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately 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. 8210) to amend and extend the Defense Production Act of 1950, as amended, and the Housing and Rent Act of 1947, as amended. That after general debate which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bilil 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.

COMMITTEE ON AGRICULTURE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file a report on the bill H. R. 8122.

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

There was no objection.

PROGRAM FOR TOMORROW

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I think the majority leader would like to make a statement with regard to the program for the remainder of the week.

Mr. McCORMACK. The program for tomorrow will be the bill extending the National Production Act—the so-called controls bill.

Mr. MARTIN of Massachusetts. As I understand it, it is going to be just general debate?

Mr. McCORMACK. Exactly. There will just be general debate on the bill tomorrow.

MANPOWER POLICY

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. SHELLEY] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. SHELLEY. Mr. Speaker, on February 7, 1952, the Office of Defense Mobilization issued defense manpower policy No. 4 entitled "Placement of Procurement in Areas of Current or Imminent Labor Surplus." Briefly, the policy directs that special consideration be given in placement of Government contracts to firms in areas which are certified to suffer from a surplus of labor and to have available facilities for the production of goods required by the Government. The primary spur to promulgation of policy No. 4 was the situation in areas such as Detroit, which suffered a dislocation of production because of cut-backs in steel and the resultant decrease in automobile manufacture. This was due, of course, to the defense emergency and the need for increased arms production. The policy was strongly supported in other areas, such as those in New England producing textiles, whose industrial dislocation can be traced more directly to other fundamental economic ills. It is generally the type of policy I ordinarily support. However, its execution is creating situations harmful to my area. Policy No. 4 was laudable in its announced purposes. As written, it need not have produced serious ill effects. But in its actual implementation it has worked real economic damage. It has also caused actual delay in the defense-production program in many instances. That is true of individual industries in areas not certified as surplus labor areas; it is true of the whole economy of such areas.

In the first place, if aimed at this temporary dislocation, policy No. 4 came too late to cure the condition which precipitated it. Any Member of Congress knows that the most serious effects of the shift to defense production were felt shortly after the allotment system first went into effect. This was while the placement of huge Government contracts was in the planning stage. There had been a tapering off of the volume of complaints from consumer-goods producers, and more liberal allotments of critical materials, before the policy became effective. The automobile industry's production goals for the remainder of this year—aside from defense contracts—are now at gratifyingly high levels. Barring a prolonged shutdown in steel, there are plenty of materials in sight to achieve them. The

same thing is true of other consumer goods producing industries.

Secondly, the written policy contains provision for analysis of the specific ills of particular areas as regards types of labor skills in surplus, and the nature of and suitability of production facilities available. In its actual operation—and I am speaking now from personal experience in checking into award of specific contracts—these considerations have been allowed to go by the board. As long as an area has been declared a distress area, all other relevant factors are apparently disregarded. This condition opens the way for disastrous effects within industries, within areas, as far as groups of skilled labor are concerned; and on individual plants which have geared their operations to defense needs. These effects are now being felt in San Francisco, and they will be felt in every congressional district and in every area not certified as a distress labor area unless the policy is rescinded or applied on an industry basis.

Let us examine its operation as applied to one particular industry—the shipbuilding industry. I am sure that the policy's effect there can be applied to the predominant industry in any area represented here in the House today. San Francisco happens to be a shipbuilding center. San Francisco has not been declared a surplus-labor area. Indeed no city west of the Rockies, and only one west of the Mississippi, has been certified. San Francisco, however, has long suffered from a dearth of shipbuilding contracts—Government or otherwise. The same situation prevails on the entire west cost as far as shipbuilding is concerned. A large force of skilled shipbuilding labor there depends on almost day-to-day jobs—or has been dispersed into other industry. Much of the vital shipbuilding and ship repair facilities lie idle for long periods at a time. Contrasted with this general condition we find that the east coast shipbuilding industry has not suffered nearly as much for lack of work. Its yards are consistently more active. Many of the Members of the House have received invitations to ship launchings in recent months or years. If those Members will look back they will not be able to recall any such invitations emanating from the west coast, but plenty from the east. In any anticipated war the west coast yards and the west coast labor supply would be immediately requisitioned for war work. It is absolutely vital to the national defense that they be ready for such a call. Yet, observe the operation of the policy.

When the Navy plans to negotiate contracts for vessels it asks firms on all three of our coasts to offer bids. At present if the contract price offered by a west coast firm is low, that firm cannot be awarded the contract immediately if a bid has been received from a firm or firms in an eastern labor surplus area. The east coast builder must first be given the opportunity to meet the low bidder's price. If he does, he gets the contract and the west coast firm is frozen out. It makes no difference how closely the western company may have figured its bid and how high the eastern yard's original bid may have been. It makes no difference whether the west coast yard is completely idle and starving for contracts and the eastern yard is running at capacity. It makes no difference if skilled shipbuilders in the West are digging ditches because of lack of work in their craft while the east coast firm is using ditch diggers to build ships because they cannot get qualified help. So long as the one area has been certified to have an over-all surplus of labor, and the west coast area has not, then the contract goes east. That has happened in a number of cases, and it is just the beginning. Congress had better act without delay to prohibit the practice or we will be faced with an increasing flow of complaints from manufacturers in our home districts who are closing shop or running on a limited basis because they cannot get the Government contracts they have built their shops around.

I have used the situation in shipbuilding as an example. The application of the policy does not stop there. It hits electronic equipment, clothing, chemicals, and all of the things the Defense Department and the General Service Administration buys. In many cases plants have tooled up their equipment, bought special machinery, and built special buildings after consultation with Government officials, solely to meet specific purchase needs of the Government. Under policy No. 4 they find themselves with tools, equipment, and buildings on their hands and no contracts. Despite the heavy investment, and even though they conscientiously submit low bids, the Government agency with whom they have been doing business cannot make an award to them so long as a qualified bidder in a distress area wants the contract and is willing to meet the price.

That situation is now confronting an electronics equipment manufacturer located just outside San Francisco. After study of Signal Corps needs and discussion with Signal Corps procurement officials, they have set up their plant to service Army requirements in their field. They are nearing the end of work on certain large volume contracts obtained before the policy went into effect. They have bid on another large contract in the hope of keeping the plant in operation and hanging on to their specially trained employees. Yet they are now faced with the prospect of losing that contract to a firm in a surplus labor area—a condition which may occur on a succession of contracts until they are forced to shut their doors. That is a senseless waste of money, time, skill, and equipment expended in gearing the company's capacity to anticipated defense needs.

We find other examples of the ridiculous manner in which the policy operates. New York City has been declared a surplus labor area. Areas directly across the river in New Jersey have not. They draw their skilled labor from the same labor pool. Yet an electronics equipment manufacturer in New York, as an example, can take a contract from a plant in shouting distance across the river, under the conditions I have outlined.

The policy as now operated not only saves the Government no money, it actually costs money in added administrative costs, and it delays the entire procurement procedure.

As I have said, the conditions which seemed to require the policy have largely corrected themselves. It may be the only practical solution now is to abandon Manpower Policy No. 4 as another "noble experiment."

The continued operation of the policy is a threat to the industrial stability of every community in the United States which has not been approved by the Office of Defense Mobilization as a surplus labor area. Only one area west of the Mississippi has been so approved. Only one area in all of the Southern States is included. Those eastern, and midwestern cities designated comprise relatively limited sections of their own States. Thus, the dislocations caused by the policy bid fair to become far greater than any it might hope to correct. I have asked the California delegation in Congress to support a move to remedy the situation. I believe such a move demands the added support of Members from every other section of the country adversely affected by the operation of policy No. 4.

As the best method of dealing with the problem I may introduce a bill in the House as an amendment to the Defense Production Act which will prohibit the use of Defense Manpower Policy No. 4. Although the Banking and Currency Committee have completed their consideration of the 1952 amendments to the act and have reported their recommendations to the House, I should be very happy to have my bill accepted as a committee amendment to the act. I am prepared to discuss the matter with the distinguished chairman of the committee, the gentleman from Kentucky, and to cooperate with the committee in securing acceptance of my amendment.

Mr. Speaker, I believe it to be of extreme importance that Congress move on this matter before adjournment. If we do not act now the cumulative effect of the policy's operations will have made the problem far more acute by the time Congress next meets. The cure should be applied before we have an epidemic.

I am submitting for printing in the CONGRESSIONAL RECORD at the end of these remarks a copy of the bill which I am introducing to nullify Defense Manpower Policy No. 4:

A bill to amend the Defense Production Act of 1950, as amended

Be it enacted, etc., That section 704 of the Defense Production Act of 1950, as amended, is amended by adding at the end thereof the following new sentence: "No rule, regulation, order, or policy issued under this act shall direct the placement of procurement in areas of current or imminent labor surplus, and any such rule, regulation, order, or policy heretofore issued is hereby rescinded."

SPECIAL ORDERS GRANTED

Mr. MORRISON asked and was given permission to address the House for 1

hour today, following the conclusion of any special orders heretofore entered.

Mr. COLE of New York asked and was given permission to address the House today for 10 minutes, following the conclusion of special orders heretofore entered.

IMPEACHMENT OF THE PRESIDENT

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

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

There was no objection.

Mr. SHAFER. Mr. Speaker, on April 28 of this year I introduced House Resolution 614, to impeach Harry S. Truman, President of the United States, of high crimes and misdemeanors in office. This resolution was referred to the Committee on the Judiciary, which committee has failed to take action thereon.

Thirty legislative days having now elapsed since introduction of this resolution, I today have placed on the Clerk's desk a petition to discharge the committee from further consideration of the resolution.

In my judgment, developments since I introduced the Resolution April 28 have immeasurably enlarged and strengthened the case for impeachment and have added new urgency for such action by this House.

First. Since the introduction of this resolution, the United States Supreme Court, by a 6-to-3 vote, has held that in his seizure of the steel mills Harry S. Truman, President of the United States, exceeded his authority and powers, violated the Constitution of the United States, and flouted the expressed will and intent of the Congress—and, in so finding, the Court gave unprecedented warnings against the threat to freedom and constitutional government implicit in his act.

Second. Despite the President's technical compliance with the finding of the Court, prior to the Court decision he reasserted his claim to the powers then in question, and subsequent to that decision he has contemptuously called into question "the intention of the Court's majority" and contemptuously attributed the limits set on the President's powers not to Congress, or to the Court, or to the Constitution, but to "the Court's majority."

Third. The Court, in its finding in the steel case, emphasized not only the unconstitutionality of the Presidential seizure but also stressed his failure to utilize and exhaust existing and available legal resources for dealing with the situation, including the Taft-Hartley law.

Fourth. The President's failure and refusal to utilize and exhaust existing and available legal resources for dealing with the emergency has persisted since the Court decision and in spite of clear and unmistakable evidences of the will and intent of Congress given in response to his latest request for special legislation authorizing seizure or other special procedures.

In my remarks on April 28, I expressed the belief that the only hope for the resolution of the constitutional issues created by the official acts of President Truman lies in the process of impeachment provided by the Constitution. The developments I have briefly summarized give new import and urgency to that warning. They make it deplorably evident that only thus can be reestablished the supremacy of the Constitution and of government of law over the defiant stubbornness, the contemptuous willfulness, and unrepented usurpations of the man who took the Presidential oath and who is charged by the Constitution, to "take care that the laws be faithfully executed."

Let us take a more detailed and searching look at the situation as it stands today, 30 legislative days after my introduction of the resolution of impeachment.

First. The import of the June 2 ruling of the United States Supreme Court in the Steel case.

This Court ruling establishes categorically that the President violated the Constitution of the United States by his issuance of Executive Order 10340 seizing the steel mills.

The majority opinion, rendered by Mr. Justice Black, held that there was no statutory authority for the President's act. It held that there was no express constitutional language granting this power to the President. It held that "the order cannot properly be sustained as an exercise of the President's military power as Commander in Chief of the Armed Forces." It rejected the argument that the seizure order could be sustained "because of the several constitutional provisions that grant executive power to the President."

Not content with denying any and all claims for statutory or constitutional authority for the Executive order, Mr. Justice Black's opinion held specifically that the President's act constituted a definite usurpation by the Executive of legislative power conferred by the Constitution upon Congress exclusively. Here is the exact wording of the decision:

> The President's order does not direct that a congressional policy be executed in a manner prescribed by Congress—it directs that a Presidential policy be excuted in a manner prescribed by the President. The preamble of the order itself, like that of many statutes, sets out reasons why the President believes certain policies should be adopted, proclaims these policies as rules of conduct to be followed, and, again, like a statute, authorizes a Government official to promulgate additional rules and regulations consistent with the policy proclaimed and needed to carry that policy into execution. The power of Congress to adopt such public policies as those proclaimed by the order is beyond question. It can authorize the taking of private property for public use. It can make laws regulating the relationships between employers and employees, prescribing rules designed to settle labor disputes, and fixing wages and working conditions in certain fields of our economy. The Constitution did not subject this lawmaking power of Congress to Presidential or military supervision or control.

Mr. Justice Black also emphasized the fact that Presidential power of seizure was specifically withheld by the Congress:

> The use of the seizure technique to solve labor disputes in order to prevent work stoppages was not only unauthorized by any congressional enactment; prior to this controversy, Congress had refused to adopt that method of settling labor disputes. When the Taft-Hartley Act was under consideration in 1947, Congress rejected an amendment which would have authorized such governmental seizures in cases of emergency.

Finally, Mr. Justice Black clearly and directly related the unconstitutional act of the President to the fundamental, historical concern of the founding fathers over safeguarding the people against excessive concentration of power in, or usurpation of power by, the Government and the Executive, thereby underscoring the gravity and fundamental threat of the President's unconstitutional act:

> The founders of this Nation entrusted the lawmaking power to the Congress alone in both good and bad times. It would do no good to recall the historical events, the fears of power, and the hopes for freedom that lay behind their choice. Such a review would but confirm our holding that this seizure order cannot stand.

In equal or greater degree the basic findings and the cardinal principles incorporated in Mr. Justice Black's opinion found repetition and reemphasis in the separate concurring opinions of the five other Justices comprising the majority of the Court.

Never in American history has a President of the United States by conscious, willful and premeditated usurpation of power subjected himself to such a condemnation as is contained in these words of Mr. Justice Frankfurter:

> It is one thing to draw an intention of Congress from general language and to say that Congress would have expressly written what is inferred, where Congress has not addressed itself to a specific situation. It is quite impossible, however, when Congress did specifically address itself to a problem, as Congress did to that of seizure, to find secreted in the interstices of legislation the very grant of power which Congress consciously withheld. To find authority so explicitly withheld is not merely to disregard in a particular instance the clear will of Congress. It is to disrespect the whole legislative process and the constitutional division of authority between President and Congress.

I shall ask you to bear in mind that terrible judgment—the judgment that by his official action Harry S. Truman, President of the United States, did "disrespect the whole legislative process and the constitutional division of authority between President and Congress"—at a later point in this discussion when I will have occasion to discuss the defiant and contemptuous comments of Harry S. Truman upon the findings of the Supreme Court.

I call your attention to the fact that Mr. Justice Frankfurter, in discussing the clear and explicit refusal of the Congress to grant seizure powers to the President, further said of that decision by the Congress:

> A proposal that the President be given powers to seize plants to avert a shut-down where the health or safety of the Nation was endangered was thoroughly canvassed by Congress and rejected.

And again:

On a balance of considerations Congress chose not to lodge this power—

That is, the power of seizure—

in the President. It chose not to make available in advance a remedy to which both industry and labor were fiercely hostile.

And still again:

Nothing can be plainer than that Congress made a conscious choice of policy in a field full of perplexity and peculiarly within legislative responsibility for choice. In formulating legislation for dealing with industrial conflicts, Congress could not more clearly and emphatically have withheld authority than it did in 1947. Perhaps as much so as is true of any piece of modern legislation, Congress acted with full consciousness of what it was doing and in the light of much recent history. * * * Instead of giving him (the President) even limited powers, Congress in 1947 deemed it wise to require the President upon failure of attempts to reach a voluntary settlement, to report to Congress if he deemed the power of seizure a needed shot for his locker. The President could not ignore the specific limitations of prior seizure statutes. No more could he act in disregard of the limitation put upon seizure by the 1947 act.

The profound implications of the issue created by the President's usurpation are clearly stated by Mr. Justice Frankfurter. After pointing out the concern of the founding fathers over the hazards of concentrated power and the need for limitations on the power of governors over the governed, Mr. Justice Frankfurter offered this solemn warning—a warning which Harry S. Truman lacks either the capacity or the will to recognize and heed:

The accretion of dangerous power does not come in a day. It does come, however, slowly, from the generative force of unchecked disregard of the restrictions that fence in even the most disinterested assertion of authority.

Consider now certain key statements in the concurring opinion of Mr. Justice Douglas:

We * * * cannot decide this case by determining which branch of Government can deal most expeditiously with the present crisis. The answer must depend on the allocation of powers under the Constitution. * * *

The method by which industrial peace is achieved is of vital importance not only to the parties but to society as well. A determination that sanctions should be applied, that the hand of the law should be placed upon the parties, and that the force of the courts should be directed against them is an exercise of legislative power. In some nations that power is entrusted to the executive branch as a matter of course or in case of emergencies. We chose another course. We chose to place the legislative power of the Federal Government in the Congress. The language of the Constitution is not ambiguous or qualified. It places not some legislative power in the Congress; article I, section 1, says, "All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives."

The legislative nature of the action taken by the President seems to me to be clear. * * *

If we sanctioned the present exercise of power by the President, we would be expanding article II of the Constitution and rewriting it to suit the political conveniences of the present emergency. * * *

* * * We could not sanction the seizures and condemnations of the steel plants in this case without reading article II as giving the President not only the power to executive the laws, but to make some. Such a step would most assuredly alter the pattern of the Constitution.

The implications of the claims of power made by the President in his seizure—claims which he has since reasserted, claims of which he stands before the Nation defiantly unrepentant—are eloquently summed up by Mr. Justice Douglas in these words:

We pay a price for our system of checks and balances, for the distribution of power among the three branches of Government. It is a price that today may seem exorbitant to many. Today a kindly President uses the seizure power to effect a wage increase and to keep the steel furnaces in production. Yet tomorrow another President might use the same power to prevent a wage increase, to curb trade-unionists, to regiment labor as oppressively as industry thinks it has been regimented by this seizure.

The concurring opinion of Mr. Justice Jackson forcefully expounds the issues posed by Mr. Truman's unconstitutional act:

Emergency powers are consistent with free government only when their control is lodged elsewhere than in the Executive who exercises them. That is the safeguard that would be nullified by our adoption of the "inherent powers" formula.

* * * * *

In view of the ease, expedition and safety with which Congress can grant and has granted large emergency powers, certainly ample to embrace this crisis, I am quite unimpressed with the argument that we should affirm possession of them without statute. Such power either has no beginning or it has no end. If it exists, it need submit to no legal restraint. I am not alarmed that it would plunge us straightway into dictatorship, but it is at least a step in that wrong direction.

* * * The executive action we have here originates in the individual will of the President and represents an exercise of authority without law. * * * With all its defects, delays, and inconveniences, men have discovered no technique for long preserving free government except that the Executive be under the law, and that the law be made by parliamentary decisions.

Such institutions may be destined to pass away. But it is the duty of the Court to be last, not first, to give them up.

Because the impeachment resolution which I introduced on April 28 cites the unconstitutional action of the President in committing the United States and its Armed Forces to war in Korea, without act or authorization of Congress as required by the Constitution, one phase of Mr. Justice Jackson's discussion of Presidential powers has a particular interest and relevancy. Referring to "the logic of an argument tendered at our bar—that the President, having, on his own responsibility, sent American troops abroad derives from that act affirmative power to seize the means of producing a supply of steel for them," Mr. Justice Jackson further quotes this line of argument:

To quote, "Perhaps the most forceful illustrations of the scope of Presidential power in this connection is the fact that American troops in Korea, whose safety and effectiveness are so directly involved here, were sent to the field by an exercise of the President's constitutional powers." Thus, it is said he has invested himself with war powers.

Respecting this reasoning, Mr. Justice Jackson says:

I cannot foresee all that it might entail if the Court should indorse this argument. Nothing in our Constitution is plainer than that declaration of war is entrusted only to Congress. Of course, a state of war may in fact exist without a formal declaration. But no doctrine that the Court could promulgate would seem to me more sinister and alarming than that a President whose conduct of foreign affairs is so largely uncontrolled, and often even is unknown, can vastly enlarge his mastery over the internal affairs of the country by his own commitment of the Nation's Armed Forces to some foreign venture. I do not, however, find it necessary or appropriate to consider the legal status of the Korean enterprise to discountenance argument based on it.

It is significant that in a footnote to this paragraph, Mr. Justice Jackson asserts that "how widely this doctrine espoused by the President's counsel departs from the early view of Presidential power is shown by a comparison." He then relates that at the time of the naval action against the Tripolitan fleet in 1801, President Jefferson limited that action to a defense of American commerce and placed before Congress the decision of whether offensive action should be pursued. And Mr. Justice Jackson quoted these lines from President Jefferson's message to Congress:

Unauthorized by the Constitution, without the sanction of Congress, to go beyond the line of defense, the (Tripolitan) vessel being disabled from committing further hostilities, was liberated with its crew. The Legislature will doubtless consider whether, by authorizing measures of offense, also, they will place our force on an equal footing with that of its adversaries. I communicate all material information on this subject, that in the exercise of the important function confided by the Constitution to the Legislature exclusively, their judgment may form itself on a knowledge and consideration of every circumstance of weight.

There is no mistaking the import of this citation and of the attendant remarks of Mr. Justice Jackson, with respect to the usurpation by Mr. Truman of the power to declare war vested solely in the Congress by the Constitution.

Mr. Justice Jackson also specifically rejected the argument that the President acted under his powers as Commander in Chief of the Army and Navy, pointing out that this title did not "constitute him also commander in chief of the country, its industries, and its inhabitants." And he added.

That military powers of the Commander in Chief were not to supersede representative government of internal affairs seems obvious from the Constitution and from elementary American history.

No penance would ever expiate the sin against free government of holding that a President can escape control of Executive powers by law through assuming his military role.

Mr. Justice Burton, in his concurring opinion, pinpointed the issue by citing the omission of the seizure power from the Taft-Hartley Act. He said:

For the purpose of this case the most significant feature of that act is its omission of authority to seize an affected industry. The

debate preceding its passage demonstrated the significance of that omission. Collective bargaining rather than governmental seizure was to be relied upon. Seizure was not to be resorted to without specific congressional authority. Congress reserved to itself the opportunity to authorize seizure to meet particular emergencies.

Mr. Justice Burton continues:

In the case before us Congress authorized a procedure which the President declined to follow. Instead, he followed another procedure which he hoped might eliminate the need for the first. Upon its failure he issued an Executive order to seize the steel properties in the face of the reserved right of Congress to adopt or reject that course as a matter of legislative policy.

And he concludes:

The controlling fact here is that Congress within its constitutionally delegated power has prescribed for the President specific procedures, exclusive of seizure, for his use in meeting the present type of emergency. Congress has reserved to itself the right to determine where and when to authorize the seizure of property in meeting such an emergency. Under these circumstances, the President's order of April 8 invaded the jurisdiction of Congress. It violated the essence of the principle of the separation of governmental powers.

Mr. Justice Clark summed up his conclusions in these brief propositions:

I conclude that where Congress has laid down specific procedures to deal with the type of crisis confronting the President he must follow those procedures in meeting the crisis. * * * I cannot sustain the seizure in question because here * * * Congress has prescribed methods to be followed by the President in meeting the emergency at hand.

The finding of the Supreme Court was explicit and emphatic. It held that the President, by his seizure order, had not only acted without statutory authority and in violation of fundamental principles and requirements of the Constitution but had also directly flouted the expressed will and intent of the Congress. So much for the judgment of the Court. What of Mr. Truman's position as to the authority and decision of the Court?

Second. The import of Mr. Truman's attitude toward the authority and decision of the Supreme Court.

The President has complied technically with the decision of the Supreme Court in the Steel case. In his June 10 message to the Congress he reported:

This case reached the Supreme Court, and on Monday, June 2, a majority of that Court decided that the President did not have the power, in this instance, to operate the mills. I immediately ordered that Government possession of the mills be relinquished.

Any suggestion, however, that this technical compliance with the decision of the Court absolves the President of guilt so far as his previous unconstitutional act is concerned should, I think, be firmly challenged. This is particularly so in view of the fact that while the issue was before the Court Mr. Truman defiantly asserted that the Court could not take away the power of seizure from the President, and in view of the further fact that since the Court decision Mr. Truman has contemptuously called into question the "intention of the Court's majority" and has likewise contemptuously attributed the limits set on the President's powers, not to the Congress, or to the Court, or to the Constitution, but to "the Court's majority." Mr. Truman has made abundantly clear that he is wholly unrepentant of the usurpation of which the Court has adjudged him guilty.

The Supreme Court is clear and explicit on one point above all in its decision, namely, in its reaffirmation of the constitutional principle that the President, as much as any other citizen, is subject to the government of law. By the same token, certainly, the President, quite as much as any private citizen, is accountable for a transgression of the law of the land. Discontinuance of a violation of law does not absolve a President, any more than it absolves any other citizen, of responsibility or accountability for that violation.

In the 1948 strike of the United Mine Workers, the union and its president, John L. Lewis, were found guilty on April 19 of contempt of court for failure to terminate a strike which had been enjoined by an injunction issued April 3. They were found guilty, and subsequently subjected to heavy fines, notwithstanding the fact that on April 12, a week before the guilty verdict was rendered, Mr. Lewis and the union had terminated the strike in compliance with the injunction.

The guilt of April 3 to 12 was not erased or expunged by the defendants' act of April 12, even though that act preceded the finding of guilt by a full week.

How can it be held, then, that the act of executive usurpation of which the president was adjudged guilty by the Supreme Court—an act extending from the issuance of Executive Order 10340 on April 8 until June 2—was erased or expunged by Presidential revocation of the unlawful act following the Court decision?

But let us look to the spirit as well as the letter of the matter.

Here there is no room for doubt as to the attitude of the President of the United States.

In a press conference at the White House—while the steel case was pending before the Supreme Court—Mr. Truman emphatically affirmed the power then being challenged before the highest Court. I cite the transcript of that press conference as quoted by a responsible reporter, Mr. Roscoe Drummond, chief of the Washington News Bureau of the Christian Science Monitor, issue of May 23, 1952:

Question. Do you think the rail settlement might be a good pattern for the steel settlement?

Answer. The President replied that he could not comment on the steel situation until the big Court down the street acts.

Question (on emergency strike legislation). Would you have the authority to seize a vital industry or would you have the President go to Congress in each emergency?

Answer. The President has that power and they can't take it away from him.

Question. Did I understand you to say that the President has the power and "they can't take it way from him"? Who do you mean by "they"?

Answer. Nobody can take it away because he is the Chief Executive of the Nation and has to be in a position to conserve the welfare of the people when necessary. You study your history. President Hayes and Teddy Roosevelt and President Wilson and President Franklin Roosevelt and the present occupant have taken whatever steps are necessary to meet an emergency when it comes to the country, and that is what the Executive is supposed to do.

Another reporter asked that the question be repeated.

Question. I will ask it again. You said the President has this power, talking about seizure and "they can't take it away from him." What do you mean by "they"?

Answer. Nobody can take it away. Nobody can take it away from him.

Question. But if the position of the Supreme Court is that the seizure is illegal, then where do we stand?

Answer. I cannot speculate on what might happen after that. Let's wait and see.

Question. You said on a previous occasion on the same subject that you would abide by whatever decision the Court makes.

Answer. Mr. Truman said that was exactly what he intended to do.

Question. Suppose it says that the President does not have that power?

Answer. The President said he would turn the steel industry back to the companies and see what happens.

Question. It does sound as if you were prejudging the Supreme Court. You say that the President has the power and nobody can take it away from him.

Answer. That is correct, but I am not prejudging the Supreme Court. I am going to abide by the Court decision, whatever that action may be.

Question. Suppose they say that you haven't the power?

Answer. The President said he would cross that bridge when he came to it.

Such was the position of the President of the United States prior to the Court decision—if such a maze of inconsistent and contradictory statements may properly be designated a "position."

Now let us appraise the President's attitude, after the Court decision.

In every reference to the decision of the United States Supreme Court in his June 10 message to Congress, Mr. Truman has pointedly spoken of it as the decision of "a majority of the Supreme Court." And the attitude of the President with respect to this decision is clearly revealed in one sentence from that message:

Whatever may have been the intention of the Court's majority in setting limits on the President's powers, there can be no question of their view that the Congress can enact legislation to avoid a crippling work stoppage in the steel industry.

In the face of the clear, vigorous, and forthright exposition of historic and fundamental constitutional principles contained in the majority opinion of Mr. Justice Black and the concurring opinions of five other Justices, Mr. Truman implies a lack of certainty as to "the intention of the Court's majority."

Mr. Truman, with poorly disguised contempt and scorn, charges "the Court's majority" with "setting limits on the President's powers." By his version, it is not the Supreme Court which set the limits—only "the Court's majority." It is not the Constitution which set the limits. It is not the Congress which set the limits. No—in Mr. Truman's petty, spiteful, contemptuous, obdurate, recalcitrant, resentful judgment it is the doing of "the Court's majority," acting with intentions which he would have Congress believe, are obscure and mystifying to him. This is the sober and reasoned response of the President of the

United States to the reminder given him by Mr. Justice Frankfurter's quotation from Chief Justice John Marshall—"it is a Constitution we are expounding." Thus are wasted upon Mr. Truman—though not upon the Nation or the Nation's liberties—the pearls of judicial and constitutional wisdom contained in the Court's opinion.

Permit me to point out the patent hypocrisy of Mr. Truman's professed ignorance or uncertainty as to the "intention" of the "Court's majority."

When Mr. Truman undertook, in his message to Congress on April 9, to justify his seizure, he emphasized that he "took this action with the utmost reluctance." He said that "the idea of Government operation of the steel mills is thoroughly distasteful to me." He pictured his action as a choice of "the least undesirable of the courses of action which lay open." These protestations he affirmed in his communication of April 21 to the Vice President of the United States.

Again, in his message to Congress on June 10, Mr. Truman described his action as "the extraordinary step of seizure in the absence of specific statutory authority."

Now if there was any semblance of sincerity in these protestations of reluctance and in the acknowledgment of the extraordinary character of his action, there cannot be any sincerity in the implied doubt or uncertainty expressed in his words, "Whatever may have been the intention of the Court's majority." Especially is this so when the Court decision spelled out with unmistakable clarity and with unequaled eloquence its clear purpose and intent of expounding the Constitution.

Here, then, is how the matter stands:

The President has acceded technically to the mandate of the Court. But he has done so grudgingly. He has not repented his usurpation or disclaimed his reckless assertion that "they can't take the power away from him." Thus the challenge still stands. And therein lies the peril, a peril which offers the most compelling reason for the impeachment of Harry S. Truman, President of the United States, of high crimes and misdemeanors in office.

Permit me to revert, for a moment, to the warning given by Mr. Justice Douglas:

> Today a kindly President uses the seizure power to effect a wage increase and to keep the steel furnaces in production. Yet tomorrow another President might use the same power to prevent a wage increase, to curb trade-unionists, to regiment labor as oppressively as industry thinks it has been regimented by this seizure.

Impeachment, of course, is beyond the purview of the courts, and I infer no hint or reference to that procedure in the opinion of Mr. Justice Douglas. Yet implicit in the peril against which he warns lies the most compelling grounds of all for the impeachment of Harry S. Truman.

As we have seen, by his own assertions the man who today temporarily occupies the Office of President of the United States remains unconvinced of the validity of this warning, unpersuaded by the judgment of the Supreme Court, and unrepentant of the usurpation of which he has been adjudged guilty—notwithstanding that expediency has dictated his technical compliance with the finding of the Court.

It is not inconceivable that there will be a future President of the United States who may undertake to duplicate this exercise of unconstitutional powers under the guise of some compelling emergency. It is not inconceivable that there will be a future President of the United States who, together with his lust for unconstitutional powers, may have also the opportunity of naming a majority of the Supreme Court amenable to his will and whim. And it is not inconceivable that in such tragic circumstances this historic judgment of the Supreme Court, rendered in the year 1952, may be reversed. Then could come to pass the very situation envisioned by Mr. Justice Douglas wherein "tomorrow another President might use the same power" to commit new and grievous wrongs against the Constitution and the people of the United States.

How better can we safeguard against such a contingency than by calling to account in a high court of impeachment the President of the United States whose violation of the Constitution and usurpation of powers have been so clearly established, and whose offense has been so grossly compounded by his scornful reassertion of those unconstitutional powers and by his contemptuous references to the "intention" of the "the Court's majority"?

Dare this House fail to interpose this added safeguard for the future? I think not because, as I said in my April 28 speech, the action of this House which I would invoke is concerned with the future quite as much, indeed more, than with the immediate present.

Third. Judicial recognition of the failure of the President to utilize the legal resources provided by the Taft-Hartley Act and other existing legislation.

Abundant judicial recognition has been accorded the failure of the President to invoke the Taft-Hartley Act and other available legislation in the steel controversy. Because this failure is one of the grounds for impeachment cited in my Resolution of April 28, and because of the persistent refusal, since the Court decision, of the President to invoke the Taft-Hartley Act, these judicial comments deserve particular attention.

It will be recalled that this failure received the attention of United States District Judge David Pine in the lower court ruling on the seizure. Judge Pine tartly reminded the Government that the defendant's warning of "the disastrous effects on the defense effort" or a steel strike "presupposes that the Labor Management Relations act, 1947, is inadequate when it has not yet been tried, and is the statute provided by Congress to meet just such an emergency."

Mr. Justice Black, in the majority decision, takes note of the fact that—

> There are two statutes which do authorize the President to take both personal and real property under certain conditions.

A footnote identifies these statutes as "The Selective Service Act of 1948" and "the Defense Production Act of 1950." The opinion continues:

> However, the Government admits that these conditions were not met and that the President's order was not rooted in either of them.

Mr. Justice Black, as heretofore shown, outlined in detail the procedures provided under the Taft-Hartley Act, noting that the plan for settling labor disputes adopted by Congress eschewed the seizure power because "apparently it was thought that the technique of seizure would interfere with the process of collective bargaining."

Mr. Justice Burton, in his concurring opinion, is particularly explicit in his reminders of the President's failure to utilize existing and available legal resources for dealing with the steel controversy. He notes that—

> The Constitution has delegated to Congress power to authorize action to meet a national emergency of the kind we face. Aware of this responsibility, Congress has responded to it. It has provided at least two procedures for the use of the President.

With respect to one of these procedures, the Taft-Hartley Act, Mr. Justice Burton notes that—

> The accuracy with which Congress there describes the present emergency demonstrates its applicability.

Continuing, Mr. Justice Burton says:

> The President, however, chose not to use the Taft-Hartley procedure. He chose another course, also authorized by Congress. He referred the controversy to the Wage Stabilization Board.

In a footnote, Mr. Justice Burton also observes that—

> Section 18 of the Selective Service Act of 1948 authorizes the President to take possession of a plant or other facility failing to fill certain defense orders placed within the manner there prescribed.

And adds:

> No orders have been so placed with the steel plants seized.

It is Mr. Justice Clark, however, who is most emphatic in challenging the failure of the President to utilize all available legal resources and in challenging the claim that the Government had accomplished more without invoking the Taft-Hartley Act than would have been accomplished by invoking it.

Mr. Justice Clark is emphatic, also, as to the obligation upon the President to exhaust these resources. He says:

> I conclude that where Congress has laid down specific procedures to deal with the type of crisis confronting the President, he must follow those procedures in meeting the crisis. * * * I cannot sustain the seizure in question because here * * * Congress had prescribed methods to be followed by the President in meeting the emergency at hand.

Continuing, Mr. Justice Clark points out:

> Three statutory procedures were available: those provided in the Defense Production Act of 1950, the Labor Management Relations Act, and the Selective Service Act of 1948. In this case the President invoked the first of these procedures; he did not invoke the other two.

This concurring opinion describes the three procedures. It says, with respect to the Taft-Hartley Act, that the legislative history of the act demonstrates Congress' belief that the 80-day period would afford it adequate opportunity to determine whether special legislation should be enacted to meet the emergency at hand.

With reference to the Selective Service Act of 1948, Mr. Justice Clark notes that it gives the President specific authority to seize plants which fail to produce goods required by the Armed Forces or the Atomic Energy Commission for national defense purposes. He also observes that the Government made no effort to comply with the procedures established by this act, and in a footnote caustically adds that the Government has offered no explanation, in the record, the briefs, or the oral arguments as to why it could not have made both a literal and timely compliance with the provisions of that act. Thus the opinion clearly implies nonfeasance if not misfeasance on the part of the Executive in this particular.

By way of summing up, Mr. Justice Clark has this to say regarding the contention offered repeatedly by the President throughout the controversy and repeated by the Government in its argument before the Court:

> These three statutes furnish the guideposts for decision in this case. Prior to seizing the steel mills on April 8 the President had exhausted the mediation procedures of the Defense Production Act through the Wage Stabilization Board. Use of these procedures had failed to avert the impending crisis; however, it had resulted in a 99-day postponement of the strike. The Government argues that this accomplished more than the maximum 80-day waiting period possible under the sanctions of the Taft-Hartley Act, and therefore amounted to compliance with the substance of that act. Even if one were to accept this somewhat hyperbolic conclusion, the hard fact remains that neither the Defense Production Act nor Taft-Hartley authorized the seizure challenged here, and the Government made no effort to comply with the procedures established by the Selective Service Act of 1948, a statute which expressly authorizes seizures when producers fail to supply necessary defense matériel.

Thus the Supreme Court is on record that the President failed to take care that available and applicable laws be faithfully executed, that he failed to qualify the Government to act under the one law which provided a lawful basis for seizure, and that he failed to invoke a law specifically designed to deal with such a crisis while, at the same time, exercising power specifically and deliberately withheld by the Congress at the time the law was enacted.

Fourth. The President's record with respect to the Taft-Hartley Act, especially since the Supreme Court decision.

I address myself now to Mr. Truman's still persistent refusal to invoke the Taft-Hartley Act, to the specious reasons he has given for that refusal, and particularly to his flagrant disregard of the will and intent of Congress as that will and intent have been made clear since the President's June 10 message.

On at least six specific occasions since last December 18, Mr. Truman has elected not to invoke the Taft-Hartley Act.

He elected not to do so on that date, when the United Steelworkers of America, CIO, gave original notice of their intention to strike December 31.

He elected not to do so on December 22, when efforts of the Federal Mediation and Conciliation Service in that dispute proved unavailing.

He elected not to do so at any time between April 4, 1952, when the union gave notice of intention to strike at 12:01 a. m., April 9, and the night of April 8 when he issued his unconstitutional seizure order.

He elected not to do so on June 2, when the union struck following announcement of the Supreme Court decision.

He elected not to do so on June 9, when negotiations between the companies and the union broke down, and instead, on the day following, addressed Congress with his request for seizure power or congressional authorization of an injunction.

Finally, he has elected not to invoke the Taft-Hartley Act since June 10, when Senate adoption, on that very day, of the Byrd amendment to the Defense Production Act, requesting the President to invoke the Taft-Hartley Act, showed unmistakably the will and intent of the Congress.

In this last instance the President's obdurateness has been the most insufferable of all, since it has been displayed in the face of a direct answer to his imprudent and impudent request of June 10.

Today is June 17. It is 15 days since the steel strike began. It is a full week since the President addressed the Congress. Compare this pointless loss of time, loss of vital steel production, with the complaint which Mr. Truman registered against the Taft-Hartley procedure in his June 10 speech:

> Previous experience indicates that it could take as much as a week or 10 days for such a board to complete its task.

In a word, as much or more time has already been sacrified on the altar of Executive recalcitrance than would have been lost under the tardy use of the law Congress prescribed for the handling of such an emergency.

In his June 10 message, Mr. Truman cited specious arguments for his failure to invoke the Taft-Hartley law. The speciousness of these arguments is relevant here only as they underscore the arbitrariness of his refusal to take care that the laws be faithfully executed.

He argues that "the Nation has already had the benefits of whatever could be gained by action under the Taft-Hartley law." This is an obvious untruth. The Nation has not had the benefit of the last-resort protection against a strike the law was designed to provide. It has not had the benefit of a final Presidential report and request—prior to a strike—for added authority to deal with the emergency, the "adequate opportunity—for Congress—to determine whether special legislation should be enacted to meet the emergency at hand" to which Mr. Justice Clark referred in his concurring opinion. The Nation has not had the benefit of the secret strike vote on the companies' "last best offer" prior to a strike. The Nation has not had the benefit of the incentives to peaceful settlement of the issues by the contending parties which derives from prompt and firm execution of the Taft-Hartley law and procedures.

Mr. Truman, in his June 10 message, also contended that the effect of a Taft-Hartley injunction "would be to require the workers to continue working for another period without change in their wages and working conditions," which, he held, "would be grossly unfair." He chose to ignore the fact that normal negotiation procedure calls for retroactive effect being given to any final settlement terms. He also chose to ignore the fact that a major stumbling block in the negotiations has been the union-shop issue.

Mr. Truman did even worse in his June 10 message. In effect he cast himself in the role of legal strategist against the very law he is sworn to enforce and execute.

Thus he offered, as an argument against invoking the law, the proposition that—

> If * * * the Attorney General were directed to seek an injunction against a strike, the question would arise whether a court of equity would grant the Attorney General's request, in view of the union's previous voluntary 99-day postponement.

Think of that.

But Mr. Truman went even further. In that same message he tacitly invited sabotage and defiance of the law and of a lawful injunction. Here are his exact words:

> Furthermore, even if an injunction were granted, there is no assurance that it would get the steel mills back in operation. I call the attention of the Congress to the fact that such an injunction did not get the coal mines back in operation in 1950.

This is the counsel of defiance, of lawlessness, and of anarchy, offered by the President of the United States. This is the shocking spectacle of the Chief Executive offering as the alibi for his own disregard of the law the possibility that thousands of his fellow citizens will emulate his shameful example. This is an unpardonable insult to the loyalty and law-abiding character of many thousands of members of organized labor. And, incidentally, it glibly ignores the fact, daily becoming more and more evident, that even the delay in steel production which might ensue from such defiance—should such defiance occur—may actually be less than the delay consequent upon Mr. Truman's own defiance of the law and of the will of the Congress.

The conclusion of the whole matter must be stated in blunt terms.

The President of the United States already has been adjudged guilty, by the highest Court in the land, of violation of the Constitution and of flagrant disregard and defiance of the expressed will and intent of the Congress.

He has shown himself unrepentant of his usurpation, contemptuous of the Court's decision, and of the motives for

that decision. Himself incurably addicted to the government of men, rather than of laws, he pettishly chides the Court for insisting upon the restoration of a government of laws and attributes the ruling to some inexplicable intention of the Court's majority, as individuals, to exert their wills in restraint of his own will.

His defiance of the law and of the will of the Congress has been compounded by his repeated failures and refusals to invoke the Taft-Hartley law. He has repudiated even his own better counsel and violated his own pledge, given June 26, 1947, upon the enactment of that law, when he said:

> For my part, I want to make it unmistakably clear that, insofar as it lies within my power as President, I shall see that the law—
>
> Specifically, the Taft-Hartley law—
>
> is well and faithfully administered.

Instead, by his record in this steel controversy, Mr. Truman has made it unmistakably clear that he is on strike—on strike against his oath of office, on strike against the law he is sworn faithfully to execute, on strike against the plainly stated will and intent of the Congress, on strike against the public interest and the national security.

That is one strike that cannot be tolerated.

The only recourse, the imperative answer to that strike, is for this House to impeach Harry S. Truman, President of the United States, of high crimes and misdemeanors in office.

PERMISSION TO ADDRESS THE HOUSE

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

[Mr. McDONOUGH addressed the House. His remarks appear in the Appendix of the RECORD.]

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the time allotted to me may be vacated, and I may use that time tomorrow following the conclusion of special orders heretofore granted.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The SPEAKER. Under the previous order of the House, the gentleman from Missouri [Mr. CURTIS] is recognized for 45 minutes.

HOOVER COMMISSION RECOMMENDATIONS AND COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. CURTIS of Missouri. Mr. Speaker, I have requested a special order to proceed for 45 minutes. I do not expect to consume all of this time but I wished to have sufficient time available to permit my colleague from Illinois [Mr. DAWSON], the chairman of the Committee on Expenditures in the Executive Departments, time to ask questions of me or to make whatever statement he cares to make in regard to the matter which I propose to discuss. Also I wished to extend the same opportunity to my colleagues, Mr. LANHAM, of Georgia; Mr. KARSTEN, of Missouri, who are chairmen of subcommittees of the Expenditures Committee; Mr. MCCORMACK, the majority leader, who is a member of the committee, or any other member of the Expenditures Committee.

It is academic to point out that the House even more than the Senate operates largely through committees. When a bill comes to the Committee of the Whole or on the floor for debate and amendment, from the committee to which it has been assigned, the membership relies very heavily upon the hearings, report, and statements of the committee and its members.

It is, therefore, of basic importance to consider the rules and procedures under which the various committees of the House conduct their hearings and their meetings, transact and conduct their business, and write and adopt their reports. There are specific rules governing the procedures of the committees adopted by the House. The committees themselves also adopt additional rules of procedure as they see fit. In reviewing the code of procedure, I find that on paper it is sound. But I have also observed in practice the rules and procedure are more observed in their breach than in their compliance. Even the public has become aware of the peculiarities of congressional hearings through their interest in the sensational subjects congressional committees have gone into in the past 2 years. And lawyers and persons concerned with civil rights have become somewhat alarmed about the lack of procedural protection available to witnesses appearing before congressional committees. In fact, a system has grown up in this House which permits the chairman of the committee to proceed somewhat as an autocrat, if he so desires. This is not an original observation on my part but a confirmation of the observation made by many students of the procedures of the United States Congress.

The breach of the Rules of the House under which committees are required to proceed, plus the accepted custom of committees not sticking to the additional rules of procedure they occasionally adopt for themselves, has resulted in a situation where a Member who wishes to follow orderly procedure is forced to make himself somewhat obnoxious to his committee colleagues when he insists upon following correct procedures. I have constantly been embarrassed in my committee, for example, by refusing to approve a committee report on the ground that the first opportunity I have had to even look at a lengthy report was at the very minute the committee met for the purpose of adopting or rejecting the report. I should not have to state here the obvious fact that it should be routine procedure that lengthy written reports be furnished to the committee members at least a few hours before meeting time in order to give them an opportunity to study the report before the meeting. However, I must state even this obvious fact inasmuch as not only have I been embarrassed to have to make a point of order in insisting on this right, but then, having made it, I have had the chairman ride roughshod over the objection. In one instance, I might state, copies of the report which the committee was asked to approve were not even furnished or available to the committee at the time of meeting; instead the written report was read by the clerk to the committee members. In the objection I raised to this procedure I stated an even more obvious fact that it is impossible for a person to properly consider and weigh the words of a written report or an oral recitation. To my surprise the chairman overruled this objection.

Calling committee meetings without adequate notice is another procedure which is so customary that one who objects is placed in embarrassment to object and the objection when made frequently does not even receive the courtesy of a negative ruling. The negation is apparently considered so obvious that it need not be stated.

I am not going to go into all the ramifications of correct committee procedure other than to make a general observation, which, too, should not have to be stated, that when procedural rights are lost substantive rights disappear. The history of the freedoms gained in the western world is the history of acquiring and preserving procedural rights. With such basic issue as this involved, I feel no embarrassment in bringing this entire matter before the House for consideration. However, having observed some of the actions on the floor of the House and in the Committee of the Whole in regard to the necessities for preserving the integrity of procedure, I wonder if I don't waste my breath here also. How many times have we proceeded on the floor in the debate of a bill without the hearings of the committee reporting the bill available to the Members and the report of the committee just becoming available the very hour of the meeting?

There are two specific matters I wish to present not only to the House membership, but, likewise, to the citizens of the country. I regret to say that these two specific matters are not unusual examples of committee procedure. Unfortunately, they seem to be common and so all the more serious.

The first matter has to do with the procedures adopted by the chairman of the Subcommittee of the Expenditures Committee on International Relations, Mr. LANHAM. This committee had under consideration H. R. 3406 and H. R. 3697, identical bills designed to create a commission along the lines of the Hoover Commission to study the overseas administration of the United States. The appointment of such a commission, incidentally, was one of the recommendations of the Hoover Commission itself.

This was and is a serious piece of legislation and, in my own opinion, a badly needed one. As Mr. McCormick, Director of Research for the Citizens Committee for the Hoover Report, stated in urging the passage of this bill when I asked him if the United States had spent $100,000,000,000, as some say, or only $20,000,000,000, abroad during the past 5 years, no one knows what the real figure is, and that is why a commission is needed to study this. Be that as it may, our subcommittee held hearings. Our last hearing was August 2, 1951. This was also the last meeting of the subcommittee. Since that date, I have many times endeavored to persuade the chairman of the subcommittee to call the subcommittee together without avail. I have finally made myself so obnoxious on this point that on Wednesday, June 11, 1952, the chairman had the committee clerk call my office—but let me read the letter of protest I sent to the chairman of the subcommittee, which is self-explanatory:

JUNE 12, 1952.

Hon. HENDERSON L. LANHAM,
House of Representatives,
Washington, D. C.

DEAR COLLEAGUE: My office received a call from Mr. ROGERS asking if I could make a meeting of the Subcommittee on International Relations Thursday, June 12. My office replied that I could. Shortly thereafter, I received a call asking whether 2 o'clock would be agreeable. My office informed Mr. ROGERS and I had an engagement for Thursday afternoon. Actually, the reason I find 2 Thursday unacceptable is that we have a very important bill coming on the floor of the House, H. R. 8120, the military public works bill, calling for the expenditure of almost $3,000,000,000. I am very much interested in this bill and I have, of course, for some time maintained the position both in our full committee and in our subcommittee that we should not meet except under unusual circumstances while the House is in session.

I have repeatedly, as you know, expressed deep concern over the fact that our subcommittee has had no meeting since August 2, 1951, when we completed hearings on H. R. 3406 and H. R. 3697, to create a commission to study overseas administration. In all frankness, it is my opinion that no meetings were held because you polled the subcommittee members and found that the majority of the committee members were in favor of voting these bills out favorably and, for some reason or other, you did not want to vote them out favorably.

I can make any meeting of the subcommittee Thursday morning or Monday, Tuesday, Wednesday, or Thursday morning, June 16, 17, 18, or 19, or any morning or afternoon of the following weeks when the House is not in session. I am certain that my colleagues, Mr. BROWNSON and Mr. BUSH, the other Republican members of this subcommittee, can be available at almost any time.

I trust that a meeting will be called in the immediate future so that we can proceed with this matter.

Sincerely,

THOMAS B. CURTIS.

P. S.—Since dictating this letter, it is my understanding that you have definitely set a meeting for Thursday afternoon, June 12, 1952, at 2 p. m., at the very time the House is considering H. R. 8120, the military public works bill. My office was informed that "I could take my choice as to whether I wanted to be on the floor of the House or be present at the subcommittee meeting." In view of the history of this situation, it is obvious that a protest on my part is rather futile. Nonetheless, I hereby register a protest against these tactics, which I regard as a serious abuse of discretion on your part as subcommittee chairman.

So much for this incident.

The other matter involves a series of bills pertaining to recommendations made by the Hoover Commission on the organization of the executive branch of the Government. The group includes 27 House bills and 2 Senate bills. The bills, however, contain many duplicates and cover only eight subjects. Bills covering five of the subjects, all having to do with executive department reorganization, were introduced on March 19, 1951, by Mr. HOFFMAN of Michigan, the ranking minority member of the Expenditures Committee. Mr. DAWSON, of Illinois, chairman of the committee, inintroduced identical bills on these five subjects on April 12, 1951. The bill designed to create a commission to study overseas administration previously referred to was introduced on March 21, 1951, by Mrs. CHURCH, of Illinois, with Mr. DAWSON introducing an identical bill, April 12, 1951. Thirteen identical bills to reestablish the Commission on Organization of the Executive Branch of the Government were introduced on February 26, 27, and 28, 1951. H. R. 6243, to provide for the reorganization of the executive branch of the Government as it pertains to matters of water control, was introduced 9 months after bills on the other seven subjects were introduced, on January 28, 1952. The two Senate bills, identical with the House bills, introduced in March 1951, were referred to the Expenditures Committee on July 24, 1951, the other April 10, 1952.

For many months certain members of the Expenditures Committee of the minority party, myself included, and possibly members of the majority party, although I have no information about this, approached the chairman of the committee, the gentleman from Illinois [Mr. DAWSON], asking that these bills implementing the recommendations of the Hoover Commission be brought up for hearings, with no results. Finally, these requests were made at official committee meetings so that they might become matters of record. Still no results. At the same time the records of the Committee on Expenditures will reveal that hardly one meeting a month was held from April 1951 through May 1952 by the committee. From January 1952 through May 1952 the activities of the committee were at the lowest ebb.

On H. R. 6243, to reorganize the executive department pertaining to water control, the chairman appointed a special subcommittee chairmaned by the gentleman from Missouri [Mr. KARSTEN], who had introduced the bill. Actually this committee had been appointed some time in July 1951, with full publicity, immediately following the disastrous floods on the Kansas and upper Missouri Rivers. I was appointed a member of this special subcommittee. We met once to see President Truman. Since that date we met once in February 1952, largely, I suspect, as the result of my needling, for 10 minutes. This has been the extent of the subcommittee's work. Yet the bill includes, among its very sweeping provisions, the transfer of the Army engineers to the Interior Department. Imagine starting hearings on a matter of this scope the first week of June 1952 with a July 3 adjournment in the offing, along with seven other measures, with the full committee acting as a special committee, with any sincere hope of giving real and serious consideration to it.

Finally, with a burst of newspaper publicity in the city of Chicago, the home of the chairman of the committee, in the first week of June 1952, the Expenditures Committee began holding hearings on the bills covering these eight subjects recommended by the Hoover Commission. It was not exactly the full committee that was holding these hearings. There was a special New Deal-Fair Deal set-up about it. The chairman announced that the committee holding the hearings consisted of whoever of the membership was present. The chairman admitted that he had never heard of such procedure before, but just because it was new was no reason it should not be tried because, after all, we wanted to get these bills heard. The committee, needless to say, had nothing to say about these methods.

The need for holding these hearings was so important in the chairman's mind that meetings were scheduled during the time the House was meeting and debating some very important and serious measures on the floor of the House. For example, on June 10 we were considering the adoption of the conference report on the immigration and naturalization bill, H. R. 5678. The next day, June 11, we had under consideration the conference report on the Federal Highway Act of 1952, H. R. 7340, and consideration of House Joint Resolution 477, the Emergency Powers Continuation Act,. And the next day, June 12, 1952, we were considering the Military and Naval Construction Act, H. R. 8120, which called for the authorization of almost $3,000,000,000 expenditure. On all three of these days I specifically objected to the committee meeting during the session of the House. The chairman overruled my objections, stating that the Expenditures Committee was one of the few committees which had authority to sit while the House was in session. This, of course, was true, but it is likewise true that the rule anticipated that the chairmen of committees having this special power would exercise proper discretion in availing themselves of such privilege. Parenthetically, I might state that I was not present at these committee hearings, but on the floor of the House following the debates.

Under the circumstances of a delay of 14 months on the part of the chairman in holding hearings on these bills, plus the importance of the legislation on the floor of the House, I feel no hesitancy at all in suggesting that the discretion exercised by the chairman was flagrantly abused.

The 14 months' delay in holding hearings on these bills implementing the

Hoover Commission recommendations must also be viewed in the light of the possibility of hearings begun the first week of June 1952, being of any value as far as assisting legislation before a Congress which the majority whip has stated publicly probably will adjourn the first week of July 1952. Anyone familiar with congressional procedure the last month before adjournment knows full well that hearings on subjects of such general scope begun that month will result in no legislation being brought on the floor of the House.

Inasmuch as the chairman of the committee through press releases has claimed credit for holding hearings on these Hoover Commission bills, I think it is only proper to point out that with his wide experience in congressional procedure, he is fully aware of the fact that the hearings he is holding, even if properly held, are of no practical value. Inasmuch as Mr. DAWSON is vice chairman of the Democratic National Committee, and the majority leader of the House, Mr. MCCORMACK, is a member of the expenditures committee, I think it is also proper to suggest that the administration leaders have deliberately planned the handling of the bills implementing these recommendations of the Hoover Commission in such a way that they could not possibly be considered by this Congress, and become law. Nontheless, credit has been claimed publicly for their party being in favor of and pushing this program implementing the Hoover Commission recommendations. In light of this record and with Mr. MCCORMACK, in addition to his duties as majority leader of the House, now the chairman of the Democratic platform committee which will write the party's 1952 platform, and, as stated, Mr. DAWSON being vice chairman of the Democratic Party, let them say, and let the platform of the Democratic Party state, based on the record, just what the position of the Democratic Party is toward the Hoover Commission and its recommendations, and, in particular, these bills which have been so neatly bottled up in committee for 14 months.

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

Mr. CURTIS of Missouri. When I finish my statement.

Mr. LANHAM. I just want to ask the gentleman about one statement he made about adjournment. Does the gentleman guarantee that July 3 adjournment?

Mr. CURTIS of Missouri. No. I am only quoting Mr. PERCY PRIEST, the whip of the majority party, who said that was his estimate. That appeared in the Washington papers last Sunday. That is his estimate. Of course, I do not know.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. I asked the gentleman to yield merely because of a previous statement he made. The gentleman was asked whether he would guarantee that July 3 adjournment. As I understood the gentleman's remarks here—and I think they will aid materially in improvement of both House and committee procedure—he has frankly admitted that while he has made many vigorous protests which, if regarded and followed, would have resulted in improved procedure and constructive action by the House, he is thoroughly convinced he does not have any control over the situation, and in particular he does not have anything to do with what the majority may decree to be the procedure of the House or House committees.

Mr. CURTIS of Missouri. That is quite obvious. I am low man on the totem pole, I am a freshman Member of the minority party in the House, and I cannot imagine a single Member having less influence.

Mr. HOFFMAN of Michigan. With that last statement as to my colleague's lack of influence, I cannot agree. He has far more influence than he realizes. As I understand it, the gentleman is just exercising his right of free speech in the hope that if his suggestions are constructive the majority will sometime listen and, being convinced, act. It may be a vain hope, but I think that was the gentleman's purpose, and he is to be commended for fighting what he may think is a losing battle.

Mr. CURTIS of Missouri. That is my main purpose, frankly. I think these matters of procedure as I express them are basic, and if we do not follow procedure we will soon lose, if we have not already lost, our substantive rights, and one reason I think the accusation that the Congress has been a rubber stamp in the past has been made with some justification.

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

Mr. CURTIS of Missouri. I yield to the gentleman from Virginia.

Mr. HARDY. The gentleman has been making a pretty full discussion on this matter of procedure, and while quite fully understanding the feeling of frustration that the individual member of a committee sometimes feels when meetings are not held on matters in which he is interested or not held at times which he feels is the proper time——

Mr. CURTIS of Missouri. They have not been held at all, that is my objection.

Mr. HARDY. That is the point I was about to bring out. Of course, there is a procedure under which it is possible for members to require the chairman to call a meeting, and I just wonder if the gentleman from Missouri followed those procedures.

Mr. CURTIS of Missouri. I am aware of that, but there is also another procedure which I have chosen to follow, which I am now embarking upon; in other words, I have tried, through personal persuasion of the chairman or other members of the committee, and inasmuch as I will go on in my statement to point out, that since this matter has been carried in the public press recently, I think that the best answer is to make the thing public rather than attempt it through the committee. You are talking really, I might add, about specific bills. I am talking about a large group of bills. I am talking about the recommendations of the Hoover Commission, and there are many of them, and I do not want to single them out, and all I want to do is to conduct timely hearings on those bills, so that all those bills that seem meritorious can be brought forward to a successful conclusion.

Mr. HARDY. I want to commend the gentleman for his decision to employ the powers of persuasion, and personally I have found him very persuasive in the past.

Mr. CURTIS of Missouri. Well, I have not been very lucky. The thing I do not like is that when I express myself, as I many times do, as the gentleman knows, in committee, it is an embarrassing thing to be objecting on grounds that we are so obviously not following good procedure, and then to have the objections overruled, or completely ignored. I do not believe I have been unreasonable in any of the objections I have made.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Just for an observation. I venture, if the gentleman will permit, having been here a few years longer than he has, to suggest that perhaps part of it grows out of the fact that he came down here young, capable, and an enthusiastic Member of the House, expecting to do certain things, thinking that perhaps by his ability, which he possesses in so ample a degree, and by his eloquence, which we are all cognizant of, he might have some appreciable effect upon the action of the committee to which he was assigned, and upon the action of the House, and now he discovers, because of long, established practice, things do not go as they should; I do not say as you think they should, but as they really should, and as the overwhelming majority will admit they should go, that is to say, that we obviously do not take actions on propositions that are only sensible but that everyone knows action should be taken on, might that not be it? I hope the gentleman has not become too hardened now and is going to abandon as futile his efforts to get through legislation for the benefit of all the people.

Mr. CURTIS of Missouri. I thank the gentleman for his kind and flattering remarks. I doubt that I deserve them. But, I will say this, that as a freshman Member I like to begin at the beginning, and the beginning, incidentally, means right in the committee hearings, and the committee hearing is the beginning line of any procedure, and if the committees do not follow proper procedure, the rights of the individual Members, no matter how new they might be, or whether they are majority or minority Members, are completely lost. This is not just a plea on the part of just another Member of the House who feels, by not following the ordinary procedures that many Members are not actually permitted to get their views across, but this is something basic and the entire country is concerned about it. That is the only reason I have taken the trouble to take the floor.

Mr. PRICE. Mr. Speaker, will the gentleman yield at this point?

Mr. CURTIS of Missouri. I would like to finish first, and after I have completed my statement, I will be glad to yield to the gentleman.

Mr. PRICE. If the gentleman will yield on that particular point, where are these meetings or hearings being held?

Mr. CURTIS of Missouri. The hearings were being held in the Expenditures Committee room, 1501.

Mr. PRICE. I thought that is what the gentleman wanted—hearings—I thought he wanted committee meetings. Now he is complaining because they are being held.

Mr. CURTIS of Missouri. I will be glad to yield when I finish my statement.

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

Mr. CURTIS of Missouri. I yield.

Mr. PRICE. We would be only too glad to have a statement from the vice chairman of the Democratic Congressional Committee, or the majority leader, as the gentleman requests but we could take a statement from a Member on your side, would that be satisfactory to the gentleman?

Mr. CURTIS of Missouri. We want your own party position. What is your party position in the light of this record?

Mr. PRICE. This will speak for itself, but at one of your own hearings, I do not know whether the gentleman was present or not, the gentleman from Ohio [Mr. BROWN], pointed to the good record of the committee with which the gentleman from Missouri should be familiar. It appears to me that the gentleman's concern is that these meetings are not held at his convenience.

Mr. CURTIS of Missouri. No, I disagree. I have not said that.

Mr. PRICE. Apparently, that seems to be the gentleman's concern.

Mr. CURTIS of Missouri. No, the gentleman misunderstood.

Mr. PRICE. That may not be the very thing that the gentleman said, but that is the substance of it.

Mr. CURTIS of Missouri. No, it is not.

Mr. Speaker, I cannot yield further on that until I correct what the gentleman has just said.

Mr. PRICE. Does the gentleman want an answer to his question?

Mr. CURTIS of Missouri. No, not the answer you gave me.

Mr. Speaker, I decline to yield further.

Mr. KARSTEN of Missouri. Mr. Speaker, will the gentleman yield?

Mr. CURTIS of Missouri. I will in just a minute. I just want to clear up one statement that has been made. I am not objecting to meetings being held at my inconvenience.

Mr. PRICE. Apparently the gentleman is. I cannot gather anything else from the gentleman's remarks.

Mr. CURTIS of Missouri. I cannot help the gentleman then, if he could not understand the statement any better. Now, I am glad to yield to my colleague the gentleman from Missouri [Mr. KARSTEN].

Mr. KARSTEN of Missouri. Mr. Speaker, the gentleman from Missouri has made a number of statements. In my opinion, most of them are incorrect and inaccurate and I cannot agree with them.

Mr. CURTIS of Missouri. Can the gentleman specify any one of them now that are incorrect or inaccurate?

Mr. KARSTEN of Missouri. I cannot agree with you at the outset.

Mr. CURTIS of Missouri. Just a moment. Mr. Speaker, I decline to yield further as long as the gentleman is making statements accusing me of making incorrect and inaccurate statements.

Mr. KARSTEN of Missouri. I am trying to answer the gentleman. He made the statement twice that he was obnoxious and I cannot completely agree with that, Mr. Speaker. He also made a statement about the rules of the House and the procedure of the Committee on Expenditures. I am concerned about that. If the gentleman will take the time to open the rules book and read it, he will read this language.

Mr. CURTIS of Missouri. I have read it very carefully, but let us read it again.

Mr. KARSTEN of Missouri. The language is as follows:

> For the purpose of performing such duties, the committee, or any subcommittee thereof, when authorized by the committee, is authorized to sit, hold hearings, and act at such times and places within the United States, whether or not the House is in session or is in recess, or has adjourned, and to require by subpena or otherwise the attendance of such witnesses and the production of such papers, documents, or books.

There you have the rules of the House of Representatives which set forth the special authority of the Committee on Expenditures in the Executive Departments.

Mr. CURTIS of Missouri. Which, incidentally, I have pointed out. The committee had authority, but as I also pointed out, that was an abuse of discretion and it was a serious abuse of discretion in proceeding in this fashion. That is a matter of judgment.

Mr. KARSTEN of Missouri. I might say that under the procedure of the House, the chairman is authorized to call meetings at any time.

Mr. CURTIS of Missouri. If the gentleman will permit, I will state that the point is this. He has failed to get it. I am objecting to the abuse of discretion, which is, of course, a matter of judgment, but I have placed before the House the reasons why I have said this was an abuse of discretion.

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

Mr. CURTIS of Missouri. I yield.

Mrs. CHURCH. I had not intended to enter into this discussion this afternoon. I do so now merely in the interest of establishing certain facts. I feel that the gentleman from Missouri is sincere and conscientious in his attempt to call attention to the failure of the Committee on Expenditures in the Executive Departments to give sufficiently early consideration to the Hoover Commission recommendations, even though I deem it among the strongest and most conscientious committees of the House. I do think that the gentleman should correct one statement or one inference, namely, that the committee was not at work during those months to which he refers as months in which meetings were held "only once a month." I am sure that the gentleman from Missouri, whose integrity is unquestionable, will gladly testify that the subcommittees during all that time were on their own business. I am sure that the gentleman will be glad to insert a statement to that effect in the RECORD.

Mr. CURTIS of Missouri. I am glad the gentlewoman mentioned that. When I said that the committee had not met, I was referring to the whole committee. The Bonner subcommittee, the Hardy subcommittee, and the Holifield subcommittee, and possibly others certainly have been meeting and have been doing a tremendous amount of work.

Mrs. CHURCH. Perhaps I should also state to the gentleman that the chairman last week assured me that there was still a chance of passage for these bills; and I would therefore feel that the majority side should accept the challenge of bringing them to the floor before adjournment.

Mr. CURTIS of Missouri. I thank the lady for those remarks. I might say that that is my main purpose in taking the floor, to call attention to the situation, and also so that the public will be aware of what has actually occurred in the Committee on Expenditures in regard to consideration and hearings on the Hoover Commission bills.

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

Mr. CURTIS of Missouri. I yield to the gentleman from Georgia.

Mr. LANHAM. The gentleman has referred to me as chairman of one of the subcommittees, but I am not replying to that part of his statement at all, because I consider his charges merely the irresponsible statement of a frustrated egotist, and I would not reply at all except for the fact that I think the gentleman's statement leaves a wrong impression about the committee and its work on the Hoover Commission reports as well as my own stand on these important recommendations.

I think the gentleman from Michigan [Mr. HOFFMAN], has analyzed the gentleman's situation. I admire his enthusiasm, and I can understand something of the feeling of frustration he has, but I think we ought to review for a moment just what this committee has done.

I came to this body with the Eightieth Congress, and the gentleman from Michigan [Mr. HOFFMAN] was chairman of that committee. It was under his able leadership that the Hoover Commission was set up. I supported the bill which set up the Hoover Commission; I supported practically all of the legislation which has been put into effect. The Citizens' Committee says, I believe, that approximately 60 percent of the Hoover Commission reports have been put into effect, and most of that legislation was sponsored by this committee under the able leadership of the gentleman from Illinois [Mr. DAWSON]. Now, the gentleman from Illinois does not need any defense on my part, and I am not making it; he is amply able to take care of himself. I think it is a case of the gentle-

man's simply not being aware of what the committee has done.

Mr. CURTIS of Missouri. Just a minute at that point.

Mr. LANHAM. Please let me proceed; the gentleman referred to me and at the outset said he wanted to give us time to answer; let me complete my statement, please. I am not attacking the gentleman.

Mr. CURTIS of Missouri. Go ahead.

Mr. LANHAM. He has attacked me in a way; I am not attacking him at all because I understand his situation. He is young, ambitious, self-assured, and naturally rebels and feels a sense of frustration that he cannot always have his own way.

This committee has worked diligently to try to put into action or into actuality the recommendations of the Hoover Commission. As I have stated, 60 percent of those recommendations have been put into effect, and largely through the work of this committee. It was this committee that promoted the adoption of these recommendations, and I took an active part in the activities of the committee. We did get passed the bill that allows the President to send plans down which become law unless vetoed by one of the Houses of Congress. That was the work of this committee. This piece of legislation has resulted in the adoption of many of the Hoover recommendations—many of them this year, and three others are now pending and will become law unless the other body vetoes them.

We have now come to the very controversial plans or recommendations of the Hoover Commission, and I just wonder if the gentleman is in favor of some of them himself. I wonder if he is in favor, for instance, of the plan that would combine the veterans' hospitals with all the other hospitals. We held hearings on that problem last year and the year before, and the testimony was almost unanimous that that was an unwise recommendation of the Hoover Commission.

I wonder if the gentleman is in favor of transferring the work of the Army engineers to the Department of the Interior? Does the gentleman from Missouri believe that the Congress should act on these very controversial issues during an election year? The fact that the committee has not attempted to push these recommendations on which there is much disagreement may be the very wisest thing for the ultimate consideration and adoption of those of the recommendations that are really wise ones.

Mr. CURTIS of Missouri. Now, I believe I get the gentleman's statement.

Mr. LANHAM. I think the gentleman is speaking in his enthusiasm without a real knowledge of what this committee did under the leadership first of the gentleman from Michigan [Mr. HOFFMAN], and then the gentleman from Illinois [Mr. DAWSON]—of what the committee has accomplished.

Mr. CURTIS of Missouri. I get the gentleman's point, and in answer I would like to say, of course, I must confine myself to that which is within my own knowledge, and that is the Eighty-second Congress. What the Eightieth Congress did and what the Eighty-first Congress did is something else. I am aware of the record, but I was not a Member of Congress at that time. I do know, however, about the Eighty-second Congress, and it is to that record that I directed my remarks.

The gentleman asks if I am in favor of this and in favor of that; I would like to say that I am in favor of holding hearings on the different bills so that we can determine it.

My objections have been that you do not even hold hearings, and I have particular reference to the recommendation to create a commission for the study of overseas administrations. What about that?

Mr. LANHAM. The gentleman knows that the committee did not take that up until just about the time the Committee on Foreign Affairs was setting up the Mutual Security Administration, perfecting the plan by which the Mutual Security Administration would take the place of ECA. The investigation which that bill provided for could not possibly have been made in time to help the committee in any sense in drafting a bill, and the cost would have been between $500,000 and $1,000,000. We were busy trying to write the mutual security bill and frankly I have not seen the necessity for holding further hearings on the bill.

Mr. CURTIS of Missouri. Let the record speak for itself on that, if you please.

Mr. LANHAM. I would like to speak, too. The gentleman has made certain charges and I think I have a right to answer him. I am trying to do so but he objects.

Mr. HOFFMAN of Michigan. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. Does the gentleman yield?

Mr. CURTIS of Missouri. I do not yield at this point. I have been trying to give the House some facts.

Mr. LANHAM. The gentleman wanted me to set a committee hearing at a time that suited him but did not suit me and other members of the committee.

Mr. CURTIS of Missouri. I do not yield any further.

Mr. KARSTEN of Missouri. Mr. Speaker, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from Missouri.

Mr. KARSTEN of Missouri. The gentleman has sought to create the impression that the Expenditures Committee is not a good committee. I have refrained from making a point of order against the gentleman but I do want the RECORD to show the facts.

Mr. CURTIS of Missouri. What would be the gentleman's point of order?

Mr. KARSTEN of Missouri. He is speaking disrespectfully of a committee.

Mr. CURTIS of Missouri. I pointed out specific things and if those specific things amount to disrespect, you be the judge.

Mr. KARSTEN of Missouri. It may be that the gentleman from Missouri just does not know.

Mr. CURTIS of Missouri. Does the gentleman agree that these things occurred?

Mr. KARSTEN of Missouri. I want to cite some facts. One of your leaders, the distinguished gentleman from Ohio, was before our committee the other day, and incidentally the gentleman from Missouri was not there.

Mr. CURTIS of Missouri. It was probably during a session of the House.

Mr. KARSTEN of Missouri. I was interrogating the gentleman from Ohio [Mr. BROWN] on the Hoover Commission bills and I told him I was very much impressed that Congress had approved almost 80 bills and reorganization plans, and stated:

> And these place on the books approximately 60 percent of the recommendations of the Commission. I think that is a very fair average.
>
> I wondered if you have any idea how much money was saved?
>
> Mr. BROWN. Yes; somewhere between two and two and a half billion dollars a year in operation.

That is the annual saving and that was the work of the Committee on Expenditures.

Mr. CURTIS of Missouri. What has the Eighty-second Congress done?

Mr. KARSTEN of Missouri. And Mr. BROWN is to furnish a breakdown showing the actual savings.

Mr. CURTIS of Missouri. I am asking the gentleman one question, What has the Eighty-second Congress done? I know the Eightieth Congress has a splendid record.

Mr. KARSTEN of Missouri. I am going to get down to that. The gentleman probably does not know, because I have gone through the hearings. The gentleman is given to making many speeches. I have read them all and I have tabulated his speeches.

Mr. CURTIS of Missouri. I am very glad of that.

Mr. KARSTEN of Missouri. On over a hundred occasions the gentleman from Missouri has used the expression "I do not know" or he has been in error, just as he is in error in this instance.

Mr. CURTIS of Missouri. Who does not know?

Mr. KARSTEN of Missouri. You do not know. Read the RECORD.

Mr. CURTIS of Missouri. There are many things I do not know. I am willing to say that.

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

Mr. BENDER. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended 10 minutes.

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

There was no objection.

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

Mr. CURTIS of Missouri. I yield to the gentleman from Ohio.

Mr. BENDER. The observations made by the gentleman from Missouri [Mr. CURTIS] are 100 percent correct. This could be the most important committee of the House. If we were properly implemented, if we had the tools to work with, if we had the money to hire investigators, and the staff the committee requires under the rules of the House we

could save the taxpayers billions of dollars. This committee is charged with the responsibility to investigate all governmental expenditures. We are not doing this. We have not functioned as the rules of the House provide and as the House intended when this committee was created. Ever since I first joined this committee, and this is my twelfth year as a member, it has been the burying ground of the House. Most of the hot potatoes that come up during the course of a session are referred to our committee. The membership of the committee on the Democratic side are the most influential administration stalwarts in Washington. They are all administration people, but they are on our committee to do a job for their party.

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

Mr. BENDER. Now, I asked for this time and I appreciate the opportunity to make a statement and I would like to continue. The gentleman who is attempting to interrogate me came in as a Member of the Eightieth Congress. During the Eightieth Congress the gentleman from Virginia and the gentleman from Massachusetts were Members of my subcommittee, and I never knew two more alert members of that committee than were the gentlemen from Virginia and Massachusetts. They were on the job watching all of the administration's interests and they did a perfectly grand job and I admire them for it. I consider them to be two of the hardest working Members of the House, and I think the Committee on Expenditures in the Executive Departments in the Eightieth Congress did one of the best jobs under the leadership of CLARE HOFFMAN of Michigan. He had us in session all the time, every day almost, even including Saturdays.

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

Mr. CURTIS of Missouri. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I am very glad to hear the praise coming from our dear friend from Ohio about our dear friend the gentleman from Michigan [Mr. HOFFMAN] when he was chairman of the Committee in the Eightieth Congress, because CLARE HOFFMAN and I remember well, as well as other members of the committee then, that there was a little Republican conspiracy to take his power away from him. You remember? We would not let them do it, would we?

Mr. HOFFMAN of Michigan. Did the gentleman ask me a question?

Mr. McCORMACK. We Democrats did not let them do it.

Mr. HOFFMAN of Michigan. Well, but they put six Members from the Committee on Rules on our committee in an obvious effort to hamstring the Marine Corps but it did not work out that way—with the gentleman's help—that attempt was blocked, and I thank him for that aid.

Mr. McCORMACK. But we Democrats supported you, did we not?

Mr. HOFFMAN of Michigan. Sure. And it was in a worthy cause—the preservation of the Marine Corps.

Mr. BENDER. Mr. Speaker, if the gentleman will yield, I hope the gentleman will clarify the RECORD and say that the gentleman from Ohio was not part of that conspiracy.

Mr. McCORMACK. We served on the subcommittee, and we worked hard, did we not?

Mr. BENDER. Yes.

Mr. HOFFMAN of Michigan. And on occasion you disagreed beautifully and kindly, though sometimes vigorously.

Mr. McCORMACK. And we loyally supported the chairman of the committee and the organization work of the committee, and whether he was right or wrong, we supported him; is that not right?

Mr. BENDER. True. The point I am endeavoring to make is that in the Eightieth Congress—our committee really functioned. When I first became a member of the Expenditures Committee, I too had the idea that this committee really was necessary—we had work to do. But I quickly discovered that it was a burial ground. Now, my subcommittee chairman, the gentleman from Virginia [Mr. HARDY], is an excellent legislator and a fine chairman and does a grand job in matters he selects to investigate, and they are really investigated, but the only observation I want to make is that he does not take on more, and that the committee of the House that has the money to provide does not provide more funds to the gentleman to pursue the fine work that he does to a far greater extent if they provided the funds.

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

Mr. CURTIS of Missouri. I yield to the gentleman from Virginia.

Mr. HARDY. I should like to comment on the remarks of my good friend from Ohio. I am deeply grateful to him for the work he has put in on our subcommittee. I had the privilege of having learned under his chairmanship in the Eightieth Congress. I did learn a few things, and maybe if there had not been so much partisanship I would have learned more. But I want to thank him especially for his interest in expanding the activities of our subcommittee. There is just one major limitation in respect to funds, and I think we will have more funds within the next day or two. However, because of the limitations of time it has been almost impossible to go much further. I wonder if the gentleman is prepared to devote a little more time to some of the activities of the subcommittee.

Mr. BENDER. I do not like to waste my time on innocuous matters and things that are of little value when we are not really getting into the meat of the coconut, when we discuss matters that we generally agree upon and that are not disturbing anyone.

Mr. HARDY. I know the gentleman does not mean to leave the impression that when he and I work on the coconut we do not get the meat out of it.

Mr. BENDER. We got the meat in Detroit, but apart from that I do not know where we got any more meat.

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

Mr. CURTIS of Missouri. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I will not ask my friend from Missouri this, but I want to ask my friend from Ohio about this. One of the bills that is before us is to transfer the United States Army engineers to the Department of the Interior. I wonder how many Members would vote that out. I am not asking any Member how he would vote on it, though.

Another matter before the committee is to establish a Department of Public Health and transfer all the hospital facilities to one department. That means the Veterans' Administration hospitals, and so forth. Just let us be practical.

Mr. BENDER. I am not sure how I would vote, but I would want to hear the issue discussed. I think it is desirable to hold hearings on all issues.

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

Mr. CURTIS of Missouri. I yield to the gentleman from West Virginia.

Mr. BURNSIDE. We know that this committee has carried on largely on a nonpartisan basis in the last 2 years, in all fairness to the chairman. This is my fourth year on the committee, but I do not think we have had so many scraps in our committee on a purely partisan basis. In all fairness to him and to the other Members in the Eightieth Congress, we passed this reorganization plan and it was an excellent plan, with six Democrats and six Republicans, Mr. Acheson as vice chairman and Mr. Hoover as chairman. In all fairness to the chairman in the Eighty-first Congress and the Eighty-second Congress, according to the gentleman from Ohio [Mr. BROWN], who was on the Hoover Commission, and also a very able Member of this House, we have saved two to two and a half billion dollars, which is a very large sum.

Mr. CURTIS of Missouri. The gentleman will note that was not done in the Eighty-second Congress, which is the only Congress of which I have been a Member. I am directing my remarks to specific instances in the Eighty-second Congress.

TRANSPORTATION OF FIREWORKS

Mr. DELANEY, from the Committee on Rules, submitted the following privileged resolution (H. Res. 697, Rept. No. 2189) which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately 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. 4528) to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State or political subdivision thereof in which the sale of such fireworks is prohibited. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-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.

The SPEAKER pro tempore (Mr. FURCOLO). Under previous order of the House, the gentleman from Louisiana [Mr. MORRISON] is recognized for 60 minutes.

HENRY J. KAISER AND ASSOCIATES

Mr. MORRISON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include affidavits, letters, and other extraneous matter.

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

There was no objection.

Mr. MORRISON. Mr. Speaker, I take the floor today to place in the RECORD at this time a sworn document prepared by Henry J. Kaiser and his associates which completely refutes all of the charges made against them on May 21, 1952, by Congressman ALVIN E. O'KONSKI, Republican of Wisconsin. Mr. O'KONSKI's charges were inserted in the RECORD on that date.

The gentleman from Wisconsin [Mr. O'KONSKI] notified the press last week that he was prepared to put this information in the RECORD today. However, my distinguished colleague has been unavoidably detained in Wisconsin and will be unable to be present today.

I believe that in all fairness to Mr. Kaiser and his associates, as well as to the press and radio correspondents who have worked so hard preparing stories on this information that it should be included in the RECORD today.

Prior to giving you the text of Mr. Kaiser's document, I would like to read a news release from Mr. O'KONSKI's office, covering this matter as well as some remarks he prepared for inclusion in the RECORD:

WASHINGTON.—Congressman ALVIN E. O'KONSKI, Republican, of Wisconsin, said today that he had received an 85-page document from Henry J. Kaiser and his associates in reply to charges against the industrialist and his companies which the Congressman inserted in the CONGRESSIONAL RECORD on May 21, 1952.

"I have studied the document closely," Mr. O'KONSKI said, "and I am entirely satisfied that it completely refutes all of the charges I inserted in the RECORD. To be fair and consistent, I have devoted equal time and asked that equal space be given the reply as was accorded the charges."

Mr. O'KONSKI emphasized that the "very fact the reply by Mr. Kaiser and his associates was made under oath should be given complete and serious consideration as to its validity and truthfulness."

"Unless information to the contrary is supplied to me," the Congressman said, "I am completely satisfied with Mr. Kaiser's repudiation of my charges. However, if any contrary information is supplied me or one of my colleagues, I sincerely believe that to serve any useful purpose it must be given under oath.

"That is the only fair approach and one that would be consistent with the complete integrity and cooperation displayed by Mr. Kaiser and his associates in this matter."

The following are the introductory remarks of Congressman ALVIN E. O'KONSKI, Republican, Wisconsin, made prior to reading a statement by Henry J. Kaiser and associates into the CONGRESSIONAL RECORD on June 17, 1952:

Mr. Speaker, I firmly believe that no individual against whom charges are made should be refused his just and fair day in court.

The answers given to me by Henry J. Kaiser and several of his associates in reply to a list of charges which I inserted in the CONGRESSIONAL RECORD on May 21, 1952, pages 5694 to 5698, will give Henry J. Kaiser his due and his just and fair day in court.

The very fact that these answers, which I will present to you in a few minutes, were made under oath adds to the strength and validity of Mr. Kaiser's reply.

Unless information to the contrary is supplied to me, I am entirely satisfied that Mr. Kaiser's reply completely refutes every one of the charges I inserted in the RECORD on May 21. If any contrary information is supplied me or any of my colleagues, I sincerely believe that to serve any useful purpose it must be given under oath. That is the only fair approach and one that would be consistent with the complete integrity displayed by Mr. Kaiser in this matter. Mr. Kaiser's reply to my charges follows—

Now Mr. Speaker, the following is a letter from Mr. Henry J. Kaiser:

HENRY J. KAISER CO.,
Washington, D. C., June 12, 1952.

Congressman ALVIN E. O'KONSKI,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN O'KONSKI: Enclosed are our sworn refutations of the false charges made against me and the Kaiser industries in the statement you inserted in the CONGRESSIONAL RECORD on May 21, 1952 (pp. 5694–5698).

The charges supplied to you were distortions and falsehoods from start to finish. Congressional committees have investigated most of these allegations in the past. Sworn evidence and public records have proved their falsity.

There is no doubt that the clandestine source of these reckless falsehoods is a group of selfish interests ruthlessly conspiring to cripple the Kaiser enterprises and ruthlessly bent on preventing the manufacture of airplanes by Kaiser-Frazer Corp.

They have used the big lie technique to the utmost to achieve their ends.

The charge that I am a "bloodsucker" and a "human leech" who "swindles the Government out of millions of dollars a year" infiltrates the tactics of Pravda into the pages of the CONGRESSIONAL RECORD.

Unconscionable men have misled you and misused you—in order to escape swift and sure retribution in a court of law for their malicious slanders. They will not escape.

The following are some high lights of the facts, as contrasted with the incredible untruths supplied by your undercover informants:

The principal charges made are that Kaiser was a flop as a plane builder in World War II; that Kaiser men in Government have improperly given airplane contracts to Kaiser during the present rearmament program; and that Kaiser is not now properly fulfilling these contracts.

The facts are exactly the opposite. Our aircraft production record in World War II was officially proclaimed by the Government as excellent; our present airplane-building contracts did not come to us through Kaiser men in Government; and we are performing these contracts to the letter.

Here is the truth:

PAST AIRPLANE-BUILDING RECORD

Against the claim that Kaiser aircraft production for World War II was "a complete and dismal flop," the facts are—

At Brewster Aeronautical Corp., our management was drafted by the Navy to rescue the plants from complete chaos; our services were donated free; we multiplied Corsair production 30 times; cut man-hours to only one-third of the starting figure and reduced the Navy-guaranteed debt from fifty to twenty-five million dollars. C. E. Wilson, James Forrestal, and the Navy unstintingly commended the Kaiser plane-building records at Brewster.

Kaiser Fleetwings, Inc., produced more than $73,000,000 of aircraft parts, accessories and advance design airplanes during the war and many times won the "E" award and Air Force citations.

We were blocked by Government opposition from mass-producing giant cargo airplanes to fly over the enemy submarine packs in the last war, but we did succeed in the second part of our plan; namely, we built small aircraft carriers at the rate of one a week for a year. This was recognized as one of the major contributions to the war effort.

"MEN IN GOVERNMENT" CHARGE

The charge that I have gained advantages "by placing key men in proper departments of the Government" is diabolically untrue. I have made a practice of refusing to release men for Government service, feeling that to do so would make them the targets for exactly the same kind of malicious attack now made on Clay Bedford. Mobilization Director C. E. Wilson actually drafted Mr. Bedford under demands of patriotic duty. Both Kaiser-Frazer and Chase airplane contracts were entered into by the Air Force before Mr. Bedford was loaned temporarily to defense service. In fact, cut-backs in K-F plane orders occurred after he went to Washington. During Mr. Bedford's entire service in the Defense Department, not a single Defense Department contract, except a minor experimental project, was received by Kaiser-Frazer, Chase, or any Kaiser company. Similar innuendoes about other persons were likewise ridiculous and unfounded.

AIRPLANE PRODUCTION

Against the charge that Kaiser-Frazer has had a contract for a year to produce Chase C–123 assault transport planes, but in that time has not produced a single plane—the facts are that Kaiser-Frazer does not now, nor has it ever had, an Air Force contract to produce C–123's. On August 7, 1951, Chase Aircraft awarded a subcontract to K-F for the building of C–123's at Willow Run. The first C–123 under the Chase contract is scheduled to be delivered during September of this year—only 14 months after contract award. This is fast, being considered about two-thirds normally required time. The first C–123's from Willow Run are scheduled to be delivered 18 months after award to Kaiser-Frazer. Likewise, this is fast, being considered about three-fourths of the normally required time.

Against charges concerning Kaiser-Frazer's manufacture of C–119 cargo planes, the facts are: The Air Force awarded K-F a contract to build C–119's at Willow Run in order to develop a second source in the interest of national defense. Common practice was followed in establishing the second source at Willow Run. Fairchild, the prime contractor, supplied parts at the outset, thereby saving the Government money and accelerating production from the second source. The first C–119's from Willow Run were delivered to and accepted by the Air Force in the month of May. Total recorded costs are not yet available. Therefore, it's impossible for anyone to draw conclusions as to K-F's total costs on the first aircraft. Cost records to date evidence that K-F's aircraft costs on C–119's are following normal industry cost averages on this type aircraft. K-F's costs are not excessive.

Against the untrue charge that a "great extravaganza" was held at Willow Run at dedication of the first C–119—actually a substantial saving of money was made on the airplane dedication ceremony by combining

it with the annual Kaiser-Frazer Employees' Family Day Open House; no champagne or liquor of any kind was served; and there was no lavish entertaining in connection with the ceremony. The costs were borne by Kaiser-Frazer and are not reimbursable by the Air Force.

SHIPBUILDING

The preposterous and long ago refuted claim was revived that "Kaiser was paid the rather handsome sum of $192,287,284" for World War II shipbuilding. The seven Kaiser-managed shipyards actually earned net profits, after taxes and after deducting losses on production of steel and magnesium of less than one-tenth of 1 percent of dollar volume.

MAGNESIUM

Against the claim that Kaiser's magnesium operation was wastefully inefficient, the facts are that we entered the magnesium industry at private risk, while the Government spent $370,000,000 on wartime magnesium plants; our plant was paid for in full with interest; the Government was saved $7,518,000 to $16,951,000 compared with what it would have cost to make the same amount of magnesium we produced in Government-owned plants. Kaiser Magnesium perfected and produced goop incendiaries, which the Army Chemical Warfare Service reported was "the fourth and highest step in the development of incendiaries." We saved the Government $15,000,000 in goop.

ALUMINUM

Against the claim that Kaiser made a "risk-proof" entry into the aluminum industry, the truth is that it was considered such a complete risk that no takers could be found for the war-built aluminum plants among more than 200 concerns. The Government even considered subsidizing some company if it would bring new competition into the industry.

RFC LOANS AND PAYMENTS

The records clearly refute charges made concerning RFC loans to Kaiser companies. The Senate Subcommittee on the RFC, headed by Senator FULBRIGHT, reported there was no evidence that Kaiser-Frazer, directly or indirectly, ever sought or engaged outside aid in negotiations with RFC. An unprecedented fact is that the Kaiser interests, owning less than 10 percent of Kaiser-Frazer stock, have guaranteed $20,000,000 of the Kaiser-Frazer loan, or almost 10 times the current market value of such stock interest. In addition, the subcommittee reported that it does not question the Kaiser-Frazer loans from the standpoint of their repayment.

Kaiser Steel Corp. repaid its wartime RFC loan in full—100 cents on the dollar, plus about $23 million interest; whereas the Government spent $1,300,000,000 for other war steel plants that were sold back to other steel companies for as low as 21 cents on the dollar.

FOUR HUNDRED AND SIXTY-FIVE MILLION DOLLARS SAVINGS

Against unsupported claims that the Government lost money on Kaiser war work, evidence presented to a congressional inquiry showed that Kaiser saved the Government more than $465,000,000 in World War II production of ships and shipyards, magnesium, goop, steel, and bulk cement.

Indicative of liquidation or secret purge, the statement which you inserted in the CONGRESSIONAL RECORD ended by demanding my elimination. It is beyond belief that this could happen in America.

Yet in fairness to you, Congressman O'KONSKI, I want to say that when I publicly denounced these false statements, you promptly replied that you gladly would correct any specifically false charges in the CONGRESSIONAL RECORD. When I personally conferred with you and briefly gave you the facts which refute each charge, you expressed great regret that you had not checked as to the accuracy of the charges before you made them; you declared that you had not intended to inflict the harm that has been done to our dealers, employees, and stockholders.

You declared that you did not propose to be a sucker or tool for any sinister plotters. You agreed that the undercover purveyors of falsehoods should be brought out in the open and unmasked, in order that they could be placed under oath before the bar of public opinion and answer to the Congress, the public and press as to the selfish purposes of their cowardly attacks. You will be deserving of commendation for carrying out your avowal to repudiate the false statements.

I earnestly appeal to the Congress and law-enforcement authorities to protect the public, the American enterprise system and the Government against conspirators who perpetrate the kind of outrageous falsehoods exposed by us in the accompanying statement.

Sincerely yours,

HENRY J. KAISER.

KAISER'S ANSWER TO CONGRESSMAN O'KONSKI'S CHARGES

Henry J. Kaiser's answers, subject by subject, to the statements inserted in the CONGRESSIONAL RECORD of May 21, 1952—pages 5694 to 5698—are as follows:

The charge: A year ago the procurement office of the Defense Department awarded a contract to Kaiser-Frazer to produce 150 Chase C–123 airplanes. Despite the fact that Kaiser-Frazer had a contract for a year, not a single plane has been produced.

The facts:

First. This contract is being performed on schedule.

Second. The prime contract is held by Chase Aircraft Co. Kaiser-Frazer does not now, nor has it ever had a contract from the Air Force to produce the C–123 plane. Chase Aircraft, not Kaiser-Frazer, had a letter of intent to produce production engineering drawings only for the C–123. On June 5, 1951, this was amended to include a production contract for a substantial number of C–123 airplanes.

Henry J. Kaiser Co. owns 49 percent of Chase Aircraft. Henry J. Kaiser Co. also owns less than 10 percent of Kaiser-Frazer.

Third. On August 7, 1951, Chase Aircraft awarded a subcontract, with the approval of the Air Force, to Kaiser-Frazer to build C–123's at Kaiser-Frazer's Willow Run plant, and these planes were to be "phased in" to Willow Run's production of C–119's.

Fourth. The number of C–123's to be produced by Chase was reduced substantially by amendment to the letter of intent on August 14, 1951, and was increased on February 14, 1952. The new total, however, was about 60 percent of the original number of planes that was awarded on June 5, 1951.

Fifth. The first C–123 is scheduled to be delivered during September 1952; or 14 months after the date of the award of the contract. It is our understanding that 20 to 22 months is considered by the aircraft industry as the normal period of elapsed time between award of a production contract for an airplane on which the drawings have been completed and the date of first delivery.

CONCLUSION

Kaiser-Frazer had no contract from the Air Force to build C–123's.

If Congressman O'KONSKI intended to refer to a subcontract between Chase and Kaiser-Frazer, and not with the Air Force, then the number of airplanes quoted was not only incorrect, but the publication of the number is a violation of security regulations. Referring to the subcontract, however, the schedule calls for delivery approximately two-thirds faster than the normal time, and Chase believes that schedule will be met.

The charge:

A few weeks ago the procurement officers of the United States Air Force sent a letter of intent to the Munitions Board which would award this same Kaiser-Frazer outfit a contract to produce 250 more C–123's.

For obvious reasons, the Munitions Board questioned this letter of intent. The Air Force procurement admitted that the letter was unusual—but said it was necessary in order to help Kaiser-Frazer in its other negotiations.

The facts:

Neither Kaiser-Frazer nor Chase knows of any such letter of intent, nor of any other negotiations for which such a letter would be necessary. We are aware of no facts even remotely consistent with this report. We hope the report of an increase in the C–123 program is true. It is a good airplane, and we would be happy to turn out as many as the Air Force wants us to build.

The charge:

A great extravaganza was held at Willow Run plant of Kaiser-Frazer Corp. 2 months ago. Air Force officials and the press lavishly entertained. Champagne overflowing the banks of Willow Run at the dedication ceremony. Planes really built at Fairchild and assembled at Willow Run, and press was led to believe the entire job was done under the C–123 contract at Willow Run.

The facts:

First. No extravaganza was held. The Air Force and press were not lavishly entertained. No champagne or liquor of any kind was served. One bottle of low-priced domestic carbonated wine was used by the sponsor of the first plane for christening.

Second. Traditionally, K-F holds an employees' family day open house. On March 8 the dedication of the first K-F assembled Fairchild C–119 plane and the traditional family day open house were combined with the dedication ceremony, thus saving substantial money on the aircraft dedication. These costs were borne by Kaiser-Frazer and are not reimbursable by the Air Force.

These traditional open houses have been held every year since K-F began operating at Willow Run. A luncheon honoring the sponsor of the first plane and her family—the sponsor was a plant worker whose son, Corp. Robert L. Williams, was killed in Korea, and the plane was named in his honor—was held in the company's courtesy garage for approximately 70 members of the press and

150 invited guests, the majority of whom were suppliers to K-F.

A limited number of Air Force officials from the local Air Force group at Willow Run, the Detroit area, and Wright Field were included in the 150; the Air Force group numbered approximately 20 to 30.

No liquor of any kind was served at the luncheon and the Air Force representatives did not participate in the ceremony, except that they were introduced as guests.

Third. The press was specifically advised by Mr. Edgar Kaiser and Mr. Henry Kaiser at the news conference preceding the luncheon that the first two planes were to be assembled from Fairchild major assemblies; the next three planes would be assembled from Fairchild minor assemblies; the next 25 would be assembled from K–F major assemblies and minor assemblies. Fairchild will furnish small parts in diminishing amounts on subsequent aircraft until plane No. 31. Plane No. 31 and all subsequent aircraft will be built entirely of K–F major assemblies, minor assemblies, and small parts.

At the news conference, great emphasis was placed on the assistance that had been rendered under the technical assistance agreement between the Air Force, K–F, and Fairchild. Public recognition of Fairchild's part in the program was also made by Mr. Henry Kaiser in his remarks at the dedication ceremony.

Fourth. Neither the people nor the Air Force were fooled by the building of the first C–119 at Willow Run from Fairchild major assemblies. This was a specific part of the Air Force's plan. Even more absurd is the charge that Fairchild components were used to prevent an accusation that Kaiser-Frazer had not built any planes under the Chase C–123 contract. This is a different contract for a different plane, and has no connection whatever with Fairchild or with Fairchild components.

CONCLUSION

No great extravaganza was held at the dedication. To the contrary, it was combined with the traditional employees' family day open house, resulting in a substantial saving on the dedication ceremony. Kaiser-Frazer paid the bills.

No champagne and no liquor of any kind was served at the ceremony. One bottle of wine was used by the sponsor to christen the ship.

The press was clearly informed, in detail, as to the relationship under the technical-assistance agreement between the Air Force, Fairchild, and Kaiser-Frazer. Instead of inferring that Kaiser-Frazer was building the entire plane, detailed information was given as to the parts being furnished by Fairchild.

Furthermore, a detailed explanation was given as to why this was done, the reason being it effected substantial savings to the Government because of tool try-out and expedited delivery by the second source, namely, Kaiser-Frazer.

The charge: All Kaiser can do is assemble planes from parts made at Fairchild so why give him contracts for 400 planes. It costs more to build planes at Kaiser-Frazer.

The facts:

First. The number of C–119's under contract with Kaiser-Frazer is not 400. It is less, but release of the exact figure would be a violation of security regulations.

Second. The reason the Air Force awarded a contract to Kaiser-Frazer to build C–119's at Willow Run is because the Air Force considered it necessary to develop a second source in the interests of national defense. Proof of the Air Force's need for additional capacity was that subsequently they awarded a contract to Fairchild to build C–119's at Chicago at the Government-owned Chicago plant—formerly operated by Douglas Aircraft—so as to have a third source.

The understanding between the Air Force, K–F, and Fairchild in connection with the third source at the Government-owned Chicago plant was that K–F at Willow Run would supply parts to Fairchild's Chicago operation in order to accelerate the third source.

Third. It is common practice in developing second sources that they be supplied with parts in the initial stages of production by the prime contractor. The purpose of following this procedure is to save the Government money and accelerate production of the second source.

Fourth. Since a second source for the production of C–119's was considered essential to national defense, the reason Kaiser-Frazer's Willow Run plant was selected was because the Willow Run plant had space available, and thus no new bricks and mortar would be required to build the space necessary for the second source.

Almost 1,200,000 square feet of space is required at Willow Run. This amount of space could not have been built for less than a minimum of $15,000,000.

Fifth. In addition, the fact that civilian work is being performed at Willow Run further reduces the cost because a number of departments can serve both aircraft and automotive. Consequently, the costs to aircraft are less than they would be if only airplanes were being built at Willow Run. Also, manpower was available and housed at Willow Run.

Sixth. If an existing Government-owned plant were available to the Air Force and had to be reactivated, it would cost substantially more if only aircraft had to be undertaken than if it were mixed with civilian work. There also would be an additional cost of securing manpower and housing it.

Seventh. A survey of the available labor force at Willow Run showed that 23 percent had previous aircraft experience, in Willow Run, in World War II. Top management at K-F also had previous aircraft experience in World War II at Brewster, Hammond Aircraft, and Fleetwings.

Eighth. The first C–119's were delivered to and accepted by the Air Force in the month of May. Therefore, recorded costs on the first C–119's are not yet available. It is obvious, therefore, that statements quoting the costs of the first airplane are incorrect, since total recorded costs are not yet available.

Ninth. Extensive cost records are available from the Air Force and industry as to costs on various types of aircraft. K-F's recorded costs to date evidence that the costs are not in excess of industry average costs for this type of aircraft. It is correct that both Fairchild and K-F are building C–119's but apparently those who furnished Congressman O'KONSKI his information do not know that the C–119's built by K-F have numerous engineering and design changes, as well as a completely different power plant, from those being built by Fairchild at Hagerstown. The number of changes, including detailed items, is in excess of 6,000.

CONCLUSION

The number of Fairchild airplanes to be built under contract by K-F was grossly misstated. The statement that it costs more to build planes at K-F, without saying anything else, appears to be intentionally misleading. No reference was made to the fact that the Air Force wanted a second source for C–119's and subsequently, even a third source. Therefore, development of a second source at K-F with the available plant, manpower, and management, plus civilian work in the plant, resulted in the Air Force's being able to have a second source considerably cheaper than if it had to reactivate a Government-owned plant, if it was available, or build a new facility.

Since the first C–119's from Willow Run were delivered in the month of May, actual complete recorded costs are not yet available, so no one could correctly state total cost of the first aircraft delivered from Willow Run.

Fairchild and K-F are both building C–119's, but there are numerous differences in design, detail and power plant between the C–119 built at Hagerstown and the C–119 built at Willow Run. Any cost comparison, therefore, would have to take these numerous changes into consideration. Substantial records evidencing industry average costs are available. K-F's costs to date evidence that K-F's costs are not excessive and, to the contrary, they are following normal industry average trends.

The charge: Henry J. Kaiser announced Kaiser-Frazer would built 17 C–119 cargo planes during 1952.

The facts: Neither Mr. Henry Kaiser nor Mr. Edgar Kaiser made any disclosure of production schedules. Such disclosure would be a violation of security regulations.

There has never been any announcement about how many C–119's Kaiser-Frazer has contracted to produce nor how many would be delivered in 1952 because these figures are classified and to release them would be to violate security regulations.

The present forecast is that Kaiser-Frazer will be on schedule with its contract.

FLYING BOAT

The charge: That Kaiser proposed mass production of 5,000 fabulous flying

boats; that War Production Board refused, but agreed when Howard Hughes' aid was enlisted; that funds to Kaiser were cut off after an investigation; that when Kaiser had to put up a dollar of his own, he got out as fast as he could; that this dream of Kaiser's cost taxpayers $18,000,000 and Hughes $10,000,000; that in this plane project Kaiser was a complete flop.

The facts: In 1942, when Nazi submarine wolf packs were sinking allied shipping faster than ships could be built, Henry Kaiser proposed mass production of both giant cargo planes and of small aircraft carriers.

Our offer to mass produce the big transport planes was given a complete official brush-off and rejected. However, Kaiser did produce the baby flattops, which were a tremendous help in turning the tide of war.

Sworn testimony before a congressional committee—Senate War Investigating Committee, headed by Senator BREWSTER; inquiry conducted by Subcommittee Chairman Senator FERGUSON, July 1947—refutes the above charge. Instead of setting up the Kaiser-advocated mass-production program of planes the Government entered an experimental research and development project, which was in the hands of Howard Hughes. Kaiser withdrew from the project when it became apparent that mass production of the planes had been blocked by the opposition, and that Mr. Hughes could carry forward the only portion of the plan that was not effectively stopped.

However, in the present defense program the military have come to accept the necessity for the mass production of large transport planes.

The small mass-produced aircraft carrier conceived and pioneered by Kaiser proved to be, in the words of British Prime Minister Churchill, one of the decisive weapons toward winning victory in the last war.

Kaiser initiated the program to mass produce aircraft carriers in 1942, despite the fact that the Navy and Government at first rejected the proposal. We pushed for this answer to the heavy enemy submarine toll, despite the fact that it meant reducing Kaiser shipbuilding earnings, since it required discontinuing the building of Liberty ships at Vancouver, Wash., and converting to escort carriers.

Kaiser delivered the aircraft carriers at the rate of one per week for 1 year. High Navy officers later testified that these carriers played a decisive part in the war.

KAISER MANAGEMENT OF BREWSTER AERONAUTICAL CORP.

The charge: That at Brewster "production went even lower under Kaiser's supervision—Kaiser again proved a complete flop."

The facts: The truth is just the opposite. Kaiser donated management of Brewster free to the Government; he multiplied Corsair production 30 times; cut man-hours to one-third of the starting figure and reduced debts 50 percent.

NAVY CALLS ON KAISER

In 1943, Kaiser was asked by the Navy and the Government, specifically by the Under Secretary of the Navy, James Forrestal, to help rescue Brewster Aeronautical Corp., which at that time was described as "the scandalous crazy-house of United States war production."

For more than 18 months prior to the time that Kaiser help was sought, Brewster Corp., in which the Navy had invested millions of dollars, was considered the Navy's prime production headache. Seven different managers had resigned, and chaotic labor-management relations had brought about a congressional investigation.

In more than 1 year under previous managements, the Brewster Corp. had produced only 8 Corsair fighting planes, vitally needed by the Navy.

Kaiser initially declined the Navy's request to take over the management, but Henry Kaiser did agree to become chairman of the board, and on March 16, 1943, assumed the office. Within 6 months Navy officials requested that Mr. Kaiser assume a more direct control of Brewster and take over the active management.

On October 7, 1943, Henry Kaiser yielded to an urgent appeal from Navy Department officials to become president of Brewster Corp. and brought in his own staff. Two weeks later, the Kaiser organization staked its reputation in a pledge to the House Naval Affairs Subcommittee that he would boost Brewster production many times over.

We ironed out labor-management strife, dissolved a strike threat that hung over Brewster, reduced the number of employees, cut down the number of man-hours per plane, reduced the cost of each plane to the Navy, and—most important—increased plane production tremendously.

KAISER'S PRODUCTION RECORD AT BREWSTER

The September 1943 production record under the old management at Brewster was four Corsair fighter planes.

Under the Kaiser staff, the delivery record was as follows:

1943:	
October	14
November	40
December	73
1944:	
January (plant was reorganized this month)	60
February	74
March	101
April	123

In September 1943, prior to the time Kaiser took over, the man-hour record per plane was 24,000.

In October, after Kaiser assumed control, the figure was dropped to about 20,000; in March 1944 it was decreased to 10,000; and in May to 8,000, or one-third that achieved before he took over.

From October 1943 to May 17, 1944, personnel was reduced from 21,500 to 11,500—nearly a 50 percent cut—and yet plane production steadily increased as shown above.

During the 7 months that Kaiser managed Brewster executive and administrative payrolls were reduced by approximately $2,750,000 a year, and a Navy-guaranteed bank loan to Brewster was reduced from $50,000,000 to $25,000,000.

During these 7 months, in addition to the production of Corsairs, existing contracts with Holland and Great Britain for other types of planes also were fulfilled.

By May 1944 the monthly rate of production at Brewster was stabilized at approximately 120 planes—a standard acceptable to the Navy Department—and Mr. Kaiser asked to be relieved.

Kaiser refused any fee or profit from the Brewster operations, which were undertaken only as a public service to the country.

Charles E. Wilson, Chairman of the World War II Aircraft Production Board, wired Kaiser as follows at different times on records established at Brewster:

February 3, 1944: "The Aircraft Production Board is pleased to note that you met your January schedule, and looks forward with confidence to your ability to sustain this achievement in future months."

March 3, 1944: "The Aircraft Production Board notes with pride that our confidence in your company's ability to meet your February schedule has been wholeheartedly proven as indicated by your fine production record for that month."

April 1, 1944: "The Aircraft Production Board recognizes your steady record of sustained production in recent months and congratulates you for your new high in March."

May 3, 1944: "For your April on-schedule performance the Aircraft Production Board extends its congratulations."

Other commendations were received from the Undersecretary of the Navy, James Forrestal and Artemus Gates, the Assistant Secretary of the Navy for Air, as follows:

James Forrestal, Under Secretary of the Navy, wrote Henry Kaiser March 14, 1944: "We are deeply appreciative of the patriotic task which you and the other members of the board of directors and operating committee have undertaken in improving production at Brewster. For the past several months the rate of production of Corsairs at Brewster has steadily increased and there is every indication that further improvement in production would be made under the present management."

Artemus L. Gates, Assistant Secretary of the Navy for Air, wrote Henry Kaiser May 17, 1944: "I would like to thank you for the fine work which you have done at Brewster and the very real contribution you have made to the war effort. You may be sure that the Navy Department is very appreciative of the task performed by you."

FLEETWINGS

The charge: Kaiser Fleetwings was organized in 1942 to manufacture airplanes, and this company never produced any planes. The total capital investment is $500,000, and Henry Kaiser and the Kaiser companies own 75 percent of stock. The balance is held by friends of Kaiser. Also, this venture into the plane business by Kaiser, like all others, was a complete and dismal flop.

The facts: Kaiser Fleetwings—formerly Kaiser Cargo, Inc.—was not organized to manufacture airplanes. At the time it purchased all of the assets of Fleetwings, Inc., of Bristol, Pa., Kaiser Cargo, Inc., operated a wartime shipyard at Richmond, Calif., and produced ships under contract with the Maritime Commission.

The Fleetwings Co., which Kaiser Cargo purchased in 1943, at that time was operating two plants producing component parts for wartime airplanes. These parts were supplied for the World

War II Corsairs, Avengers, B–17 Flying Fortresses, Havocs, Seawolf, and Hughes F–11. This company also made hydraulic valves for aircraft. In addition, it made various experimental aircraft, including a confidential experimental dive bomber, experimental helicopter, several experimental planes, and a secret radio-controlled flying bomb. All told, the company built over $73,000,000 worth of aircraft parts and components during World War II.

The plants operated by Fleetwings were never constructed, tooled, or laid out for the production of entire airplanes in quantity, but were established and operated primarily to provide the component parts, such as wings, fuselage sections, tail sections, and so forth, under subcontract for the types of planes mentioned above.

After the end of the war, when wartime plane procurement was drastically cut back, the company reconverted to peacetime production. It manufactured commercial articles for General Electric, Sears, Roebuck, Kaiser-Frazer, and other companies. In addition, during the postwar years, it did classified work for the United States Navy.

The company is now owned jointly by the Kaiser interests and Sears, Roebuck. In addition to producing automobile doors and deck lids for Kaiser-Frazer, it also manufactures bathroom and kitchen equipment for Sears, Roebuck. Some time ago the name of the company was changed to Kaiser Metal Products, Inc.

The stockholders of Kaiser Metal Products have invested and advanced cash in the aggregate amount of $10,490,000, all of which remains in the company as of this date. In addition, the company, with the cooperation of the stockholders, arranged for a $4,500,000 bond issue for private placement in 1949. The common stock of Kaiser Metal Products, Inc., is owned approximately 40 percent by Sears, Roebuck and 60 percent by Henry J. Kaiser Co. There are no other stockholders.

In 1943 an RFC 10-year loan for $1,000,000 at 4 percent interest was obtained. This loan was paid off in full in 2 years and 9 months.

In addition to the nonmilitary items which the company produces, it currently has under subcontract two very substantial aircraft component programs, namely a subcontract with Martin Aircraft for the production of wings for the Canberra jet and a subcontract for major component parts for the Republic F–84–F jet.

The Kaiser Fleetwings Co. under Kaiser management in World War II received praise and commendations from the Army Air Corps for its production records and was awarded the E many times. One of the major reasons that this company was selected to provide the wings for the important Canberra jet and the tail sections for the outstanding Republic F–84–F was the record of achievement it made in such aircraft component production during World War II.

The charge:

So it contracted with Kaiser-Frazer Corp. to produce automobile doors and deck lids. The price on a cost-plus basis was 75–100 percent higher than previous Kaiser-Frazer suppliers.

The facts: Kaiser-Frazer purchases of automobile doors and deck lids are not made from Kaiser metal products on a cost-plus basis. They are made at fixed prices. Such prices are as low as or lower than competitive prices.

"MEN IN GOVERNMENT" CHARGE

The charge: "How does Kaiser do it? Simply by placing his own key men in proper departments of the Government."

The facts: This statement was manufactured out of whole cloth.

Libelous charges were made against four persons. Here are facts concerning each of the persons named:

CLAY P. BEDFORD

The charge:

Clay Bedford took a leave of absence from the position of vice president of Kaiser-Frazer. He became a special assistant to Director Charles E. Wilson, of the Office of Defense Administration. Later Bedford became Deputy Administrator for Procurement and Production of the Defense Department. Still later Bedford becomes special assistant, believe it or not, to the Secretary of Defense. What a beautiful position to see that certain people get the easy money from the defense billions. Where is Bedford now? You guessed it. After being Secretary of Defense Lovett's expert on breaking production bottlenecks, Bedford suddenly and miraculously became president of Kaiser's Chase Aircraft Corp.

The facts: Clay P. Bedford is one of the foremost production engineers in the United States. He has been associated with the Kaiser organization for over 25 years in numerous dam, highway, and bridge construction projects, such as Hoover and Grand Coulee Dams, the operation of the Richmond, Calif., shipyards during World War II, where Liberty ships were assembled in record time and in as little as 4½ days, and in the manufacture of Kaiser automobiles at Willow Run.

Mr. Bedford did not seek Government employment. Mr. Kaiser did not seek it for him. After Mr. Charles E. Wilson, former president of General Electric Co., became Director of Defense Mobilization, he asked Mr. Kaiser to release Mr. Bedford temporarily from his post as executive vice president of Kaiser-Frazer to serve as a special assistant to the Director of Defense Mobilization. Mr. Wilson will confirm that both Mr. Kaiser and Mr. Bedford resisted the proposal until it was pressed upon them on the ground of patriotic duty.

Mr. Kaiser explained why he felt that Government service would expose Mr. Bedford and the entire Kaiser organization to the type of irresponsible and unjustified attack that is now being made, but Mr. Wilson and Sidney Weinberg, assistant to Mr. Wilson, convinced him under great pressure that even this obvious risk should not interfere with acceptance of a call to duty at a time when younger men were being drafted for military service.

Mr. Bedford originally accepted this assignment with Mr. Wilson for a period of 6 months, beginning in late June of 1951. When the 6-month period was drawing to a close—well before Mr. Bedford had any connection whatever with the Department of Defense—Mr. Kaiser asked Mr. Bedford to become president of Chase Aircraft Co., Inc., in which the Kaiser interests had acquired a substantial interest.

Mr. Kaiser and Mr. Bedford asked Mr. Wilson to approve Mr. Bedford's release in November 1951, and Mr. Wilson refused approval. He prevailed upon Mr. Kaiser and Mr. Bedford to have Mr. Bedford remain with the Government again on the ground of patriotic duty.

Shortly thereafter the Government decided that Mr. Bedford's services were critically required to improve the planning and execution of the procurement programs of the Department of Defense. Again the Kaisers were persuaded to extend his leave of absence.

On January 1, 1952, he was appointed by Secretary of Defense Lovett as a special assistant to work on these problems. After he had remained the agreed length of time—and had extended his 6-month Government commitment to nearly a year—he resigned to become president of the Chase Aircraft Co., as originally planned.

During the entire period of Mr. Bedford's service in the Department of Defense, except for one small development project, neither Kaiser-Frazer Corp., Chase Aircraft Co., nor any other Kaiser firm received a single Defense Department contract.

Mr. Bedford was not even in Government service at the time the Air Force entered into letters of intent for Kaiser-Frazer or Chase Aircraft to build either the C–119 or the C–123.

As a matter of fact, Kaiser-Frazer and Chase had contracts for a larger number of planes before Mr. Bedford entered Government service than they have today.

During the entire period of his Government service Mr. Bedford served without compensation.

In times of national emergency the Government obviously needs the best executive and production talents it can get. The best qualified men are usually found in private industry. The Government often requisitions their services, at great personal sacrifice to these men and at great inconvenience and expense to their companies.

Our Government has been well served by such men as Charles E. Wilson, of General Electric; Harold Boyer, of General Motors; K. T. Keller, of Chrysler; Edwin V. Huggins, of Westinghouse; and Clay Bedford, of the Kaiser organization. Although the companies which employ these men have numerous defense contracts, these companies would have greatly preferred to retain the direct benefit of their services. They are prohibited from taking part in any actions affecting their companies by Executive order of the President and by Federal statute, and they obey these rules.

Charges such as have been made against an able and selfless person like Clay Bedford can only serve to discourage such men from accepting calls to Government duty, and to discourage

their companies from consenting to make them available.

JOHN C. M'CONE

First. Mr. McCone did not at the conference on December 5, 1950, award any contracts to Kaiser-Frazer Corp. Contracts for aircraft were negotiated with and awarded by the headquarters air matériel command at Patterson Air Force Base, Dayton, Ohio, in accordance with usual procedures followed by the Air Force.

Second. Mr. McCone at no time has been in the employ of Kaiser-Frazer Corp. or any company which is owned or controlled by Henry J. Kaiser.

Third. Mr. McCone is not at the present time nor was he at the time of the award of the C–119 or C–123 contracts an officer or director of Kaiser-Frazer Corp. or any of the so-called Kaiser interests.

Fourth. Stock records show that Mr. McCone is not at present nor was he at the time of the C–119 or C–123 contracts a stockholder of Kaiser-Frazer Corp. or any of the so-called Kaiser interests.

Fifth. Neither Mr. Kaiser, Kaiser-Frazer Corp., nor any corporation owned or controlled by Mr. Kaiser has now or ever had any interest in Bechtel-McCone Corp.

Sixth. It is understood that Bechtel-McCone Corp. was liquidated prior to any sale of Kaiser-Frazer Corp. stock to the public. Bechtel-McCone Corp. does not now own nor has it ever owned any stock in Kaiser-Frazer Corp., and none of its officers or directors are now or ever have been officers or directors of Kaiser-Frazer Corp.

Seventh. We have no knowledge regarding Mr. McCone's entry into Government service, except to say that Kaiser-Frazer Corp., Mr. Kaiser, and none of the companies owned or controlled by the Kaiser interests had anything whatsoever to do with Mr. McCone's appointment.

WALSTON S. BROWN

First. Mr. Brown did not leave the Maritime Commission to become secretary of Kaiser-Frazer at the same time. Mr. Brown left the Maritime Commission in October of 1945 to practice law privately in New York with the law firm of Willkie, Owen, Farr, Gallagher & Walton. In September of 1946, this firm became general counsel of Kaiser-Frazer Corp. and Mr. Brown became secretary and a director of the corporation. He does not receive any compensation directly from Kaiser-Frazer Corp.

Second. The conversion of cost-plus-a-fixed-fee contracts to fixed-price contracts was made on the initiative of the Maritime Commission, and was imposed equally on all companies. It was not obtained by Kaiser through assistance and the good offices of Mr. Brown, as incorrectly alleged.

Third. Mr. Brown did not use his good offices to obtain any contracts for any Kaiser companies.

WARREN HUFF

First. Warren Huff is not on leave of absence from Kaiser-Frazer Corp. He has definitely severed all connection with that company.

Second. Warren Huff did not leave the War Production Board toward the end of World War II to go directly to Kaiser-Frazer. Kaiser-Frazer Corp. was organized in August 1945. Mr. Huff joined Kaiser-Frazer Corp. in November 1946 after having served with the OPA.

SUMMARY

No executive officer of Kaiser-Frazer Corp. or any other corporation managed by Kaiser interests has ever taken a leave of absence from any such company for an appointment in Government service, with the one exception of Clay P. Bedford. Kaiser's policy has been that company officers would not accept Government position for the very reason that to do so would subject them and Government to the type of unfair attacks directed against Mr. Bedford. In a few cases where some Kaiser employees—not officers, directors, officials, or top executives—have contributed temporary advisory services to defense agencies; they did so only upon most urgent request of such defense agencies. As to Mr. Bedford, an exception was made to the general Kaiser policy against such leaves and appointment because of urgent pleas from Office of Defense Mobilization Director, C. E. Wilson, and others that he be made available for patriotic service.

The charge:

There is an old saying around Kaiser headquarters. It goes like this: Defense billions of dollars must defend Kaiser first, his friends in Government second, and the Nation third.

The facts: The so-called old saying around Kaiser headquarters is a childish, silly figment of someone's imagination. The charge is absolutely false.

KAISER PREWAR EXPERIENCES

The charge:

Until the outbreak of World War II, Henry Kaiser's only business experience was as a cement contractor building public dams and bridges in the western part of the country.

The facts:

Kaiser organized his own contracting company in 1914, and prior to World War II had, among other things, done the following:

First. Established the largest sand and gravel business in northern California—this business was started in 1921.

Second. Built what became the largest cement plant in the West and one of the two largest in the world, with a capacity of 7,000,000 barrels a year, and distribution the length of the Pacific coast and to Alaska, Hawaii, and other Pacific islands.

Third. Kaiser and associates engaged in more than 1,000 projects as general contractors. These projects aggregated $383,000,000 before the war and included the following:

(a) Numerous road building and paving projects done on a competitive-bid basis for State, local, and foreign governments, including the building of 200 miles of highway and 500 bridges in Cuba.

(b) Performance of large construction jobs for private industry, including many natural gas pipelines.

(c) Participation in the construction of some of the world's largest dams, including Hoover-Boulder, Bonneville, and Grand Coulee, on a competitive-bid basis, at savings over the next lowest bidders amounting to as much as $5,000,000 to $7,000,000 per project.

All of these enterprises were privately financed—Fortune Magazine, July 1951; Appendix of the CONGRESSIONAL RECORD, volume 97, part 14, page A4840.

SHIPBUILDING

The charge: That Kaiser invested nothing and took no risks in shipbuilding:

He merely acted as manager of the Government facilities and for this service he was paid the rather handsome sum of $192,287,-284.

The facts: The claim that Kaiser earned $192,000,000 on shipbuilding was exploded in hearings before the House Merchant Marine and Fisheries Committee in September 1946.

The Kaiser-managed companies which built ships also constructed steel and magnesium facilities that supplied essential wartime materials at a loss. Three of the shipbuilding companies earned $22,398,044 after taxes during the five war years, but the fourth lost $18,-579,040. Thus, the combined net profit after taxes of the four companies for the five war years was only $3,819,004. This amounted to less than one-tenth of 1 percent of dollar volume.

Even if the losses of the fourth company are not taken into account, the $22,398,044 earned by the other three companies after taxes amounts to about 0.9 percent of the delivered cost of the vessels constructed by these companies, as compared to Bethlehem-Fairfield Shipyard, Inc.'s record of earnings after taxes equal to 1.3 percent of the delivered costs of the vessels built by that company.

The Congressman's statement alleges that the Kaiser shipbuilding earnings were too high, as compared with earnings allowed to other war contractors in the range of 10 percent of gross sales after renegotiation. The shipbuilding fees earned by the four Kaiser-managed companies, after renegotiation, but before taxes, and without any regard whatever for the losses of these companies on nonshipbuilding businesses, were well under the 10 percent mentioned by the Congressman as having been allowed under other war contracts; in fact, they were under 5 percent.

It is also false to state that Kaiser invested no capital and took no risks. The Kaiser-managed shipbuilding companies had an aggregate invested and borrowed capital in excess of $30,000,000, consisting of cash paid for capital stock and private bank loans not guaranteed by the Government. Many of the shipbuilding contracts were for a fixed price, involving substantial risks and even on the cost-type contracts more than $15,000,000 of nonreimbursable costs were incurred.

The above facts were established as a matter of record under oath at the House Merchant Marine and Fisheries Committee hearings into shipyard profits in September 1946.

The charge: That Kaiser arranged with United States Maritime Commission to change his shipbuilding contracts to a fixed-price basis and this enabled

Kaiser to "realize tremendous profits as compared with the modest return of cost-plus contracts."

The facts:

The United States Maritime Commission, not Henry Kaiser, initiated the conversion of cost-plus-a-fee contracts to fixed-price contracts. The Maritime Commission requested all contractors in 1944 who had cost-plus-a-fee contracts to convert to fixed-price contracts. It was in accordance with this request that the conversion of the Kaiser shipbuilding contracts took place. At that time there were conversions of other shipbuilding contracts of such companies as Bethlehem, Newport News, and Consolidated Steel Corp.

Mr. Walston Brown was one of the United States Maritime Commission officials who helped to work out these conversions, which were imposed equally on all companies. Mr. Brown had no connection of any kind with the Kaiser organization, nor did he have any connection whatsoever with Kaiser or do any legal work for any Kaiser company until 1946.

It is absurd to criticize Kaiser for giving full cooperation to the Maritime Commission's cost-saving fixed-price policy, when the fact of the matter was that chief criticism heretofore has been directed at some companies which allegedly abused the cost-plus-a-fixed-fee system.

The Kaiser shipyard contracts with the United States Maritime Commission were on the same terms and conditions as contracts the Commission had with other shipbuilding companies for the same type of vessel.

Liberty ship cost-plus-a-fixed-fee contracts with man-hour incentives, the so-called price-minus-target-price contracts for C-4's and tankers and Victory ship contracts, all carried the same fee and the same man-hour bogey or target price for identical ships awarded at the same time.

When conversion was made to fixed price or selective price, the same prices and the same recapture of profit provisions were contained in all contracts covering the same type of ships.

The truth is that Kaiser vigorously combated and eliminated wasteful practices in war work generally. He publicly advocated that war contractors be put on a competitive basis and be forced to eliminate hoarding, waste of labor, and other costly inefficiencies that might be bred under cost-plus contracts.

Charges that the Government lost money through World War II shipbuilding contracts with Kaiser have been riddled by sworn testimony and evidence in every congressional inquiry into such allegations.

The investigation by the House Merchant Marine Committee in 1946 produced the following as to dollar and time savings to the Government brought about by Kaiser shipbuilding operations, as compared with the average performance of other companies:

Dollars saved on Liberty ships and shipyards (up to June 1, 1944)	$266,077,000
Time saved on Liberty ships (days per ship)	27.6

STEEL

The charge:

Kaiser's next Government-sponsored project, the steel industry, was a wonderful deal, not only because it yielded him a tidy return on almost no investment, but also because it provided a wonderful device for rendering his shipbuilding profits practically exempt from Federal taxes. The shipbuilding company paid $100,000 for all of the capital stock of the Kaiser Steel Co. The United States Government loaned the steel company $125,000,000 and also permitted it the privilege of accelerated depreciation on its facilities. Thus, during the early years, while the Kaiser Steel Co. was being organized on Government funds and was not returning a profit on its own, the profits of the shipbuilding company were being written off for tax purposes by amortization of the steel facilities. While other taxpayers earning a comparable income were being taxed at 90 percent, Henry Kaiser merely converted his profits into lucrative steel-producing facilities and thus retained nearly 100 percent. Kaiser always has friends in every department of the Government who take care of him.

The facts:

When steel for shipbuilding was in short supply in World War II, Henry Kaiser took the initiative to increase the supply of steel on the west coast.

At a time when the Government was spending $1,300,000,000 for building wartime steel plants, principally for and by the big steel companies, Government officials denied Henry Kaiser's proposal for a west-coast steel plant to aid the war effort.

Frustrated and disappointed in his efforts to get an assured west-coast source of steel, so that shipbuilding in west coast yards would not continue to suffer because of shortages and delays from eastern mills, Henry Kaiser tried another method.

With courage, he undertook the risk of borrowing money for a west-coast wartime steel plant. At a time when the Government was paying for new steel plants, Kaiser borrowing a total of $111,805,000 from the RFC—in 1945 the RFC loaned an additional $111,500,000 for a moderate postwar reconversion program, bringing the total to $123,305,000. This was a national-defense loan and was recommended by the War Production Board and officially certified by the Board as being necessary for war.

Kaiser Co., Inc.—renamed Kaiser Steel Corp.—was then operating three west coast shipyards. It had a paid-in capital of $100,000; but, in addition, $13,750,000 of private funds was supplied for operating capital. This was all brought out and is in the record of the extensive public hearings on shipbuilding profits held in September 1946 by the House Merchant Marine and Fisheries Committee.

A certificate of necessity was granted to Kaiser Co. for the wartime Fontana, Calif., steel plant, authorizing accelerated amortization. Jesse Jones, then head of the RFC required as a condition of the loan that Kaiser obtain a certificate of necessity and pledge the profits from the Kaiser Co., Inc., shipyards to the RFC.

Congressman O'KONSKI failed to state that other taxpayers received a total of over $6,000,000,000 of certificates of necessity authorizing accelerated amortization. Accelerated amortization was authorized by Congress in late 1940 to induce the expansion of defense facilities. The companies, both large and small, and especially some of the largest in America, obtained large amounts of accelerated amortization and applied it against their wartime profits. The large corporations in Mr. O'KONSKI's own State of Wisconsin received substantial accelerated amortization and Government money—for example: A. O. Smith Corp., Milwaukee, $51,600,000; Allis Chalmers, $37,570,000. Industries in Wisconsin obtained a proportionate share of accelerated amortization granted in World War II—CPA report on War Industrial Facilities Authorized July 30, 1946.

Kaiser was far from being unique in this. Thousands of companies followed this practice which Congress authorized for defense purposes—report on War Industrial Facilities Authorized July 1940–August 1945, Civilian Production Administration, July 30, 1946.

Contrary to Congressman O'KONSKI's statement that "Kaiser always has friends in every Department of the Government who take care of him," Kaiser had extreme and violent opposition to his plan to build a west-coast steel plant. The Government's Defense Plant Corporation built and supplied Government steel plants for operation by United States Steel to the extent of $440,000,000; Republic Steel, $194,000,000; and the entire steel industry to a total of $1,300,000,000 without risk to the steel companies of any of their own capital.

What happened to Kaiser's Fontana steel plant?

Henry Kaiser rushed construction in 1942. Even though he was held up until months after the Government-owned plants by the big steel companies were authorized, his Fontana plant, half the size of the gigantic Geneva, Utah, plant—cost to the Government, $191,000,000—was rushed to completion and outproduced it during the war.

Fontana Kaiser plant wartime production, 1,209,000 tons.

Geneva, Government owned. Built for Government and operated for Government account at no risk by United States Steel. Wartime production, 1,148,600 tons.

The Government took a huge loss on the Geneva, Utah, plant:

Construction cost [1]	$191,210,000
Sale price to United States Steel	40,000,000
Total	151,210,000
Income on wartime operation (United States Steel took no risk—it operated the plant for the Government under a management contract)	8,109,000
Government loss	143,101,000

Loss per ton of steel produced in wartime (1,148,000) tons, per ton: $124.60.

[1] Defense Plant Corporation (a wartime Government corporation) records show this plant cost at over $200,000,000. The Surplus Property Administration report to Congress dated Oct. 8, 1945, shows the Geneva project cost the Government $202,493,208. The $191,000,000 figure is from a 1946 War Assets report on the sale of the Geneva plant to United States Steel Corporation.

This $124.60 is what the steel cost the Government over and above the wartime OPS price for the steel.

At the same time, Kaiser's Fontana plant was producing and selling steel at the established OPS ceiling price. Kaiser had taken the risk and lost money.

In addition, Kaiser paid interest at 4 percent to the Government, a total of $9,380,000 in wartime or for each of the 1,209,000 tons produced $7.75 per ton. The Government absorbed no loss on Fontana, but instead, was paid interest.

Note: Total interest paid to RFC by Kaiser Steel was $22,989,604.

The steel produced at the Geneva, Utah, plant cost the Government $124.60 more per ton than did the steel Kaiser produced at his Fontana plant—a total additional cost of approximately $143,000,000.

Then what happened after the war?

Henry Kaiser was stuck with a big one-product steel plant and a $100,000,000 RFC loan at 4 percent. Government officials had only allowed him to build a plant primarily for the production of ship plate. His competitors, the big steel companies, purchased most of the best Government-owned plants at very favorable prices.

Notable was the Government sale to United States Steel of the $191,000,000 Geneva, Utah, plant for $40,000,000—21 cents on the dollar—Senate Subcommittee Print No. 8, Seventy-ninth Congress, report of the Surplus Property Subcommittee, Committee on Military Affairs, May 24, 1946. Defense Plant Corporation's reports show this plant cost over $200,000,000.

Altogether United States Steel picked up a total of $328,000,000—War Assets Administration quarterly reports to Congress—in Government-owned plants for 33 cents on the dollar; Republic Steel, $91,000,000—Senate Subcommittee Print No. 13, Seventy-ninth Congress, report of the Surplus Property Subcommittee of the Committee on Military Affairs, December 30, 1946—for 30 cents on the dollar; Inland Steel, $35,000,000 for 38 cents on the dollar, and so on.

Six hundred million dollars' worth of the Government-owned steel plants were sold after the war to various steel companies—other than Kaiser—for $197,000,000—an average of 33 cents on the dollar—War Assets Administration quarterly reports to Congress.

Kaiser's alleged friends could not approach that. The best they could do was to hold Kaiser at 100 cents on the dollar, plus 4 percent interest.

Kaiser, since the war ended, has paid back every cent he borrowed from the RFC for the wartime Fontana plant, $123,305,000 plus $22,989,604 in interest—Appendix of the CONGRESSIONAL RECORD, volume 97, part 12, page A2789; part 14, page A4840; RFC records on this loan.

Since the war ended Kaiser Steel Corp. has privately financed a total of $180,000,000. Postwar plant expansion at Fontana completed and under way—all with private funds—is in excess of $80,000,000.

This private financing is all a matter of record with the Securities and Exchange Commission, Washington, D. C., and was carried Nation-wide in daily papers and news magazines. Also see Appendix of the CONGRESSIONAL RECORD, volume 97, part 14, page A4840.

The Kaiser Steel Corp.'s Fontana plant has been a boon to the economy of the west coast, particularly to hundreds of small businesses who depend upon it as a source of steel.

MAGNESIUM

The charge: That Kaiser heard the War Production Board had ordered RFC to build a magnesium plant and so he rushed to Washington with a proposal that RFC loan him the money to do it; that Kaiser's operation was wastefully inefficient, and so forth, and that, of course he and his fellow shareholders received handsome dividends.

HOW KAISER ENTERED THE MAGNESIUM INDUSTRY

The facts:

Kaiser, through Permanente Metals Corp., entered the magnesium industry at private risk. In the fall of 1940, Kaiser, realizing magnesium's importance for defense, initiated the idea of building a magnesium plant, but military and Government authorities resisted and said "No," claiming there was enough capacity. RFC finally granted Permanent Metals a loan in January 1941, to build the magnesium plant, when the need for more magnesium was recognized by the newly formed Office of Production Management as necessary for defense. The War Production Board did not authorize or order the RFC—Defense Plant Corporation—to build any magnesium plant until several months later. The Jesse Jones book from which Congressman O'KONSKI quoted has several other misstatements in it regarding the Permanente magnesium plant. At the time Kaiser initiated the Permanente magnesium plant, Kaiser had not yet built a single wartime ship, no person or agency had ordered RFC to build a magnesium plant anywhere, let alone at the site near Los Altos, Calif., which Kaiser alone selected.

It was not until months after Kaiser had initiated this magnesium project that the Office of Production Management—predecessor of the War Production Board—authorized a $370,000,000 Government-owned magnesium program. Meanwhile Kaiser's privately owned plant was well under way—Surplus Property Administration Report to Congress, December 7, 1945.

KAISER'S PERFORMANCE

Kaiser's plant produced 20,597,528 pounds of magnesium ingot and 82,000,000 pounds of magnesium "goop" incendiary material during the most critical stage of the war period—Truman Committee Report March 1944, part 17—while the Government-owned plants were being built.

The Government did not lose 1 penny on the Kaiser Magnesium operations. Kaiser paid the $28,475,000 RFC loan in full plus $3,262,761 in interest. No one received any dividends whatsoever from the magnesium operations.

The security requirements of the RFC loan were established by RFC's Jesse Jones. They included mortgage on all facilities, a pledge to RFC of Permanente's shipbuilding profits and the obtaining of a certificate of necessity authorizing accelerated amortization.

Permanente had a wartime paid-in capital of $100,000 to $460,000 plus $8,500,000 of private funds used for operating capital.

COMPARATIVE OPERATION AND CAPITAL COSTS

Permanente's operating costs were not nearly as high as they were for most of the Government-owned magnesium plants. Actually they were much lower than for most of the Government plants built at a cost of $370,000,000.

For example, the Las Vegas, Nev., Government-owned magnesium plant which the gentleman from Wisconsin, Congressman O'KONSKI, referred to cost $132,700,000. It produced 162,000,000 pounds of magnesium from its inception to VJ-day.

The average production cost at the Las Vegas plant was much greater than the 18 cents per pound stated by the gentleman from Wisconsin, Congressman O'KONSKI. The fact is the lowest direct operating cost—exclusive of overhead, interest, and depreciation—was 18.02 cents per pound and that was reached in only one month—July 1944—of the entire wartime production. Operating costs at Las Vegas were higher in preceding and subsequent months and the average per pound operating costs for all of the wartime production was nearer 30 cents per pound than the 18-cent figure used in the O'Konski statement—Part 47, Future of Light Metals hearing before the Special Committee To Study and Survey Problems of Small Business Enterprises, United States Senate, Murray committee, Surplus Property Administration Report to Congress, December 7, 1945, page 24, and records of the Government Defense Plant Corporation.

Also in this operation the Government assumed all the bills. The managers of the plant originally, Basic Magnesium, later succeeded by Anaconda Copper, took no risk and were paid a management fee at so much per pound of magnesium produced.

The Government sold the Las Vegas magnesium plant which cost $132,700,000 for $24,000,000 and took a loss of $108,700,000 or 68 cents additional cost every pound of magnesium produced. This loss, added to the operating costs, brings the total cost to over $1 per pound and gives some idea of the millions the Government lost on the Las Vegas operations with magnesium then selling at 22 cents per pound.

The approximate 10 cents per pound—$2,500,000—the Government paid to assure much-needed wartime magnesium from Permanente was small indeed compared with the huge losses the Government absorbed on the Las Vegas operation.

Large operating losses were also incurred on several of the other Government-owned plants such as Mathieson, Lake Charles, La.; Ford Motor, Dearborn, Mich.; Anico, Wingdale, N. Y.; International, Austin, Tex.; Dow Magnesium, Government part, Marysville, Mich.; New England Lime, Canaan, Conn.; Electrometallurgical, Spokane, Wash.; and so forth. The operating

costs of these plants were in excess of the OPA ceiling price and the Government subsidized—absorbed—the difference. In addition the Government has taken a large facility loss on many of them—Surplus Property Report to Congress, December 7, 1945, War Assets Administration Reports and Records and Reports and Records of Defense Plant Corporation.

The following table shows the comparative cost to the Government for magnesium obtained from Kaiser's Permanente plant and from Government-owned plants as given below:

Wartime magnesium cost to Government per pound: From Kaiser plant, 33.8 cents; from Government-owned plants, 70.3 cents to $1.161.

Per pound magnesium ingot: Kaiser production was 20,597,528 pounds. Total cost to Government, $6,961,964; equivalent cost from Government-owned plants would range from 20,597,528 times 70.3, $14,480.062, to 20,597,528 times 1.161, $23,913,730.

Net savings to Government on Kaiser ingot from $7,518,098 to $16,951,766.

The 33.8 cents per pound cost from Kaiser's plant includes the premium paid by the Government—through Metals Reserve Corporation, a Government corporation which in wartime paid premium prices for strategic metals totaling hundreds of millions of dollars to induce and assure adequate supplies—over the OPA ceiling price to maintain production at Permanente on a break-even basis. This was done at a time when the Government was absorbing far higher costs per pound in most of its own plants.

The costs shown for the Government plants include the operating costs plus the net loss the Government absorbed on the cost of the facilities. The 70.3 cents to $1.161 per pound range cost for the Government plants represents the range from the highest to the lowest.

MAGNESIUM GOOP

In the production of magnesium "goop," incendiaries, Kaiser technicians perfected the "goop" at Kaiser expense. This "goop" was credited by the military with being "the fourth and highest step in the development of incendiaries for the Army and Navy Air Forces." The Permanente plant operated at capacity until VJ-day.

Kaiser saved the Government at least $15,000,000 on the "goop" produced at Permanente compared with what it would have cost the Air Force to have the incendiary produced synthetically elsewhere.

The Truman committee reports on Kaiser's operations in the magnesium field gave the following findings:

Even during the period when the Metals Reserve contract was in operation, the cost per pound paid to Permanente was materially less than the costs incurred in operating various facilities constructed and operated with Government funds.[1]

The production by Henry J. Kaiser had been of great value to the program because it was obtained when the scarcity was great.

Subcommittees of the committee have twice inspected the facilities being built by the Kaiser organization at Permanente, Calif., and were impressed with the speed and efficiency with which the facilities were built, the future possibilities of a low-cost process for production of pure magnesium, and likewise believe that the Kaiser organization is to be commended for its attempts to provide magnesium for the defense program so vitally needed.[2]

The Chemical Warfare Service, United States Army, through Capt. G. E. Dawson, on August 29, 1945, issued the following appraisal of the Kaiser-developed magnesium incendiary:

The goop bomb was really the fourth and highest step in the development of incendiaries for the Army and Navy Air Forces. To shorten up a long story, the goop bomb and other incendiaries did so well against the industrial strongholds of Japan that nearly 160 square miles of industrial areas were bombed out. You helped immensely to shorten the war and save thousands of American lives.

Congressman O'KONSKI also stated that Kaiser and his fellow shareholders—in the magnesium plant—"did not end up with anything in the way of valuable Government assets which is usually the case."

Since the Permanente magnesium plant was privately owned and entirely paid for by Kaiser and his fellow shareholders there were no Government assets involved.

ALUMINUM

The charge:

Permanente died as far as magnesium was concerned in 1945, but it was revitalized in 1946 when Henry got his hands on some very valuable aluminum facilities. The facilities in question were built by the Government and operated by Alcoa during the war. Kaiser obtained these facilities on a risk-proof lease-purchase arrangement from the War Assets Administration, along with below-cost contracts for Federal power to operate the facilities from the Federal Bonneville Power Administration.

The facts:

The aluminum leases were not risk-proof. They were 100-percent risk to Kaiser.

The Government had a great deal of difficulty in persuading private enterprise to operate the aluminum plants built during the war. Because of the Government's then pending antitrust suit against the Aluminum Co. of America—the wartime operator of the plants and the sole primary aluminum producer in the United States up to 1940—the Government decided not to lease or sell the plants to Alcoa, and, beginning in the summer of 1945, sought to persuade other companies to enter the aluminum business.

During 1945, the RFC, then in charge of surplus-property disposal, sent telegrams to 220 nonferrous and other metal firms to solicit their interest in operating the aluminum plants. RFC received little encouragement in the few replies it received and, on August 2, 1945, Mr. Sam Husbands, an RFC director, went so far as to propose that the plants be leased under arrangements which would require the Government to bear all losses in exchange for a share in the profits. In hearings conducted by a joint Senate committee—hearings on aluminum plant disposal conducted by subcommittees of the Committee on Military Affairs, and of the Special Committee on Postwar Economic Policy and Planning, and by the Special Committee To Study and Survey Problems of Small Business Enterprises—in October 1945, a number of prominent industrialists testified that they would not consider entering the aluminum business in competition with Alcoa under any circumstances.

Even today the enormous investment and experienced organizations required, as well as the risks, have created great difficulties since the start of the conflict in Korea for efforts on the part of the Federal Government to interest new operators in entering the primary aluminum industry.

The responsibility for disposing of the aluminum plants after World War II was transferred in succession to the Surplus Property Administration, the War Assets Corporation and the War Assets Administration. These agencies continued their efforts to dispose of the plants.

The Surplus Property Administration in September 1945 submitted a report to Congress, setting forth in considerable detail both the risks and opportunities facing anyone ready and willing to enter the aluminum business and to operate the Government plants.

WAA made vigorous efforts to dispose of the plants through the winter of 1945–1946, but the only responsible bidders it could find were the Reynolds Metals Co., which had entered the aluminum business in 1940, and the Permanente Metals Corp., a Kaiser-managed corporation.

During 1946, Permanente leased the Baton Rouge alumina plant, the Mead reduction plant and the Trentwood rolling mill, while Reynolds Metals leased four comparable plants. The terms of all seven leases were substantially identical, and were in no sense risk-proof.

(a) Permanente was not accepted as a lessee until it established a $15,750,000 line of credit from a commercial bank. The bank would not extend such line of credit until an agreement was given to it by the existing stockholders of the Permanente Metals Corp., including the Henry J. Kaiser Co., guaranteeing that through additional investment or subordinated loans, such corporations would maintain current assets at least equal to current liabilities.

(b) Under the leases, the lessee was required to pay a substantial minimum annual rental, regardless of profit or loss or rate of production. In addition, the lessees were required to pay substantial production rentals based on the volume of production achieved at the plants, regardless of the rate of profit or loss.

The power contracts with the Bonneville Power Administration were in no sense below cost. They were the usual contracts issued by Bonneville to industrial users, at the identical rates charged to others, such as the Aluminum Co. of America for the operation of its reduction plant at Vancouver, Wash.

[1] Annual report, Truman committee, March 1944, part 17.

[2] Truman committee report, March 1944, part 17.

The power contracts included no special concessions of any kind. Moreover, while the plant leases permitted the company to cancel after a reasonable period if the operation was unprofitable, the power contracts were for a period of 10 years—at a minimum obligation to the company of approximately $7,000,000.

These facts can readily be confirmed by references to the hearings conducted before the Senate Small Business Committee—Murray committee—in March 1945; the Senate Special Committee Investigating the National Defense Program—Truman committee—in August 1945; and the joint hearing of the Subcommittee on Surplus Property of the Committee on Military Affairs; Special Committee To Study and Survey Problems of Small Business Enterprises; and Industrial Reorganization Subcommittee of the Special Committee on Postwar Economic Policy and Planning—the O'Mahoney committee—in October 1945; the Surplus Property Administration's report on aluminum plants and facilities dated September 21, 1945; the War Assets Administration's First Supplementary Report to Congress dated February 12, 1947; and the Attorney General's Report to Congress on the Aluminum Industry dated September 19, 1945. Pertinent facts are also set forth in the Appendix of the CONGRESSIONAL RECORD, volume 97, part 14, page A4840.

The charge:

The rights were first given to Kaiser-Frazer but as soon as their potential value was realized, they were quietly transferred to Permanente Metals wherein Kaiser personally had a much larger share. In the first 11 months of operating these facilities, Kaiser and associates reported a net profit before taxes of over $8,000,000. The original investment in Permanente Metals, now Kaiser Aluminum & Chemical Corp., has never been added to by Henry Kaiser or associates, but at the market close on March 8, 1952, their stock was worth $87,780,000 and they had received cash dividends in excess of $11,000,000 since 1946. The United States gave him these assets for next to nothing. No matter what department of our Government had something to hand out Kaiser was always the first to be taken care of.

The facts:

Of the Government aluminum plants leased or purchased by Permanente, only one had any connection with Kaiser-Frazer. The original contingent letter of intent for the Trentwood rolling mill, really no more than a hunting license, was issued to Kaiser-Frazer, but shortly thereafter the Kaiser-Frazer board of directors, and particularly the members of the board not affiliated with the Kaiser interests, objected to the use of corporate funds for an aluminum venture, when these funds had been obtained by the sale of securities to the public for the purpose of manufacturing automobiles.

As a result, Kaiser-Frazer assigned to Permanente its rights and liabilities—including the duty to make substantial rental payments—under the contingent letter of intent for Trentwood in exchange for the right to purchase from Permanente up to 40 percent of Trentwood's output of aluminum sheet for use in Kaiser-Frazer's manufacturing operations for a period of up to 7 years.

No more was known about the potential value of these rights at the time the assignment was made than was known at the time the so-called letter of intent was issued. The assignment was authorized by Kaiser-Frazer only 2 months after issuance of the letter of intent, prior to the time the plant had been occupied and the lease had been executed. At that time, no one, other than Henry Kaiser and some of his immediate staff, had any confidence in the aluminum business.

It is also worth noting that the decision to put Permanente Metals in the aluminum business in 1945 and 1946 was opposed by some of the non-Kaiser directors and stockholders of Permanente. One substantial group of stockholders felt so strongly that they sold their stock interest in Permanente to the Kaiser group and left the company. When the Permanente board considered accepting the assignment of the Trentwood letter of intent from Kaiser-Frazer, three non-Kaiser directors of Permanente dissented on the ground that the risks of competing with Alcoa were too great.

The transfer of these rights from Kaiser-Frazer to Permanente has been attacked by a minority group of Kaiser-Frazer stockholders. Both the legal validity of the transfer and the conduct of Mr. Kaiser and his associates throughout the course of these developments have been approved by the United States District Court for the Eastern District of Michigan. See the opinion of Judge Picard reported at Ninety-third Federal Supplement, page 13 (E. D. Mich. 1950). Judge Picard summarized his findings as follows:

Objecting stockholders assert that Trentwood was Kaiser-Frazer's corporate opportunity and now insist that Kaiser-Frazer should get all three plants. They claim that everybody knew that there were large profits awaiting anyone who could get Trentwood.

As for this theory these facts are overwhelming:

1. That Kaiser-Frazer never had any rights in Mead or Baton Rouge at any time;

2. That Kaiser-Frazer never had the possibility of giving the Government what it wanted—an integrated aluminum industry;

3. That Permanente had the first legal corporate opportunity to get each and all three plants;

4. That Permanente was in the field for Trentwood 4 years before Kaiser-Frazer was born;

5. That Kaiser-Frazer's most powerful stockholder, Henry Kaiser, worked to take Trentwood away from Permanente and give it to Kaiser-Frazer although he had started out only interested in Trentwood as a source of supply for Kaiser-Frazer,

6. That three of Permanente's largest stockholders refused to go along with Henry Kaiser on Permanente's leasing of Trentwood. The letter of intent represented no corporate opportunity to them;

7. That Kaiser-Frazer's directors, other than Henry and possibly Edgar Kaiser, didn't want Trentwood;

8. That only Henry Kaiser's complete control over Permanente compelled Permanente to accept the letter of intent with misgivings;

9. That Trentwood, alone, presented no corporate opportunity for Kaiser-Frazer; and

10. That the Trentwood letter of intent was of doubtful value—even a possible liability.

We believe and hold that the corporate opportunity was Permanente's—not Kaiser-Frazer's.

It is not true that the original investment in Permanente Metals has never been increased by Henry Kaiser or associates. When Permanente went into the aluminum business it already had a net worth of over $4,000,000. In order to qualify as an eligible lessee for the Government plants, Permanente also had to obtain a line of credit of $15,750,000 from commercial banks.

This line of credit was obtained only on the condition that the existing stockholders of Permanente, including Henry J. Kaiser Co., would, under certain conditions, invest additional funds subordinated to the bank's loan. This was done at a time when other responsible businessmen, far more experienced in the nonferrous metal business, were saying they would not take the risk of leasing the Government plants and entering the aluminum business in competition with Alcoa.

It is also false to state that the United States gave him these assets for next to nothing. Through July 1, 1949, when Permanente—now Kaiser Aluminum & Chemical Corp.—purchased the Mead, Trentwood, and Baton Rouge plants, the company had paid substantial annual rentals to the Government. The purchase price of the three plants was $36,000,000, and this sum has been paid in full.

The company has also purchased the Tacoma aluminum reduction plant for $3,000,000, and the Newark, Ohio, rod and bar mill for $4,500,000, and these amounts have also been paid in full. Rental, purchase, and interest payments to the Government on all five plants have totaled $56,303,798. These aluminum plants were purchased at prices and upon terms and conditions comparable with or less favorable than prices and terms of sale of surplus plants to others. Instead of having five idle white elephants on its hands when the rearmament effort began in 1950, the Government has had the benefit of five efficient, well-managed aluminum plants operating at 100 percent of capacity.

In addition, it has had a company which could and did embark on a plant-expansion program since the Korean conflict began. This will increase its capacity by more than 100 percent. The total private financing of Kaiser Aluminum since 1948 is in excess of $215,000,000.

The story of Kaiser Aluminum & Chemical Corp. exemplifies the best traditions of our free-enterprise system. It proves that even today a new postwar company, with capable and efficient management, with the imagination to visualize a business opportunity where others could see only failure, and with the willingness to risk private capital on the strength of its own judgment, can still succeed.

AUTOMOBILES

The charge: Kaiser's genius falls short when it comes to producing automobiles; Kaiser-Frazer took advantage of Graham-Paige facilities and a starving automobile market; from 1948 on production and sales declined steadily and losses were incurred.

PRODUCTION—SALES

The facts: Our automobile production record is one of our proudest achievements. Kaiser-Frazer today has more than 700,000 automobiles on America's highways in less than 6 years of production.

When this figure is compared with the Ford Motor Co.'s record of 350,000 units in its first 10 years of production, and the fact that it took General Motors 6 years and Hudson, one of the independent producers, more than 10 years to turn out their first 400,000 automobiles, the Kaiser-Frazer production record is good.

It is true that conditions under which Kaiser-Frazer began operations were different from those in the early part of the century. But they were not any easier.

It is true that Kaiser-Frazer inherited from the war a ready-made market, a Nation eager to buy automobiles. But this fact was in no way an aid to production. To the contrary, abnormal demand for cars and other manufactured goods was matched by an equal demand for raw materials and tools with which to make them. Kaiser-Frazer, the newcomer, was at a distinct disadvantage in the drive for production material. Nevertheless, the company surmounted obstacle after obstacle to take its place in the most competitive industry in America. It is the first independent to break into the industry in more than 20 years.

The early history of General Motors is replete with struggles for survival and success comparable to Kaiser-Frazer's struggles.

In 1948—December 20—General Motors executive vice president, M. E. Coyle, testified as follows before the Senate Subcommittee on Profits of the Joint Committee on the Economic Report:

So the first period of about 1908 to 1920 was the formative period in General Motors, rather troublous times. There were a couple of periods when it might have checked out, as a lot of others have done.

However, no attempt was made in the unfounded charges read into the CONGRESSIONAL RECORD to explain why Kaiser-Frazer lost money during the last 3 years. There was no effort to tell the American people that Kaiser-Frazer had been struck a serious financial blow by the Cleveland investment banking firm of Otis & Co. which defaulted on a contract to underwrite a Kaiser-Frazer public stock offering in 1948. The impression left by the statement in the CONGRESSIONAL RECORD was one of sheer mismanagement and failure. Nothing could be more removed from the truth.

Unparalleled in financial history, Otis & Co.'s failure to perform under the terms of its contract completely disrupted Kaiser-Frazer's plans for orderly financing and development.

Failure on the part of Otis & Co. to fulfill its contractual obligations specifically caused postponement of Kaiser-Frazer's second phase of financing which would have made it possible to solidify the company's position in the automobile industry on the basis of the tremendous progress, financial and otherwise, which had been made in the first two and one-half years of operation.

Because the Otis & Co. action resulted in the collapse of the stock offering it was impossible for Kaiser-Frazer to increase its production to a total of 1,500 cars a day as it had contemplated or to make the basic 1949 model change-over that had been planned. Consequently, the company was deprived not only of the funds that were to be obtained from the sale of the stock, but also the additional working capital and profits resulting from increased production and sales. And when the buyers market developed in 1949, Kaiser-Frazer was at an extreme competitive disadvantage because of the lack of a new model.

In the light of the facts, it is not difficult to see why production and sales fell off. The Otis & Co. default was the blow which eventually made it necessary for Kaiser-Frazer to seek RFC aid.

The unfavorable publicity that followed the default of the underwriters shook public confidence in Kaiser-Frazer. In addition, a systematic propaganda campaign was started against the company which is quite obviously still operating today. It is a campaign of harassment based on malicious falsehoods and the "big lie" technique. It is designed to embarrass and discredit the management of Kaiser-Frazer.

Despite the enormous difficulties which have beset it since 1948, Kaiser-Frazer has made progress. It has consistently reduced its losses in the last 3 years and is looking forward, on the basis of present sales and production forecasts, to a modest profit on its automobile operation in 1952.

The charge: Government gave K-F a big boost into automobile business by selling $42,000,000 Willow Run plant for a paltry price of $15,100,000.

The facts: Kaiser-Frazer leased the Willow Run plant from the Government in 1945, and purchased it in 1948. Kaiser-Frazer was the highest and, so far as is known, the only responsible bidder who offered to lease the plant when it was first placed on the market.

The rental terms paid by Kaiser-Frazer under the lease, as well as the purchase price when the plant was purchased, compare very favorably from the Government's standpoint with comparable leases and sales of manufacturing plants. Taking the automobile industry alone, the following tables illustrate the rentals per square foot realized by the Government on leases of plants to automotive companies, and the percentage of original cost realized on sales to such companies. As can be seen, the amounts paid by Kaiser-Frazer were among the highest paid by any automotive company.

TABLE A.—*Examples of War Assets facility leases to automotive companies*

Lessee and location	Plancor No.	War cost (millions of dollars)	Reproduction cost (millions of dollars)	Manufacturing area (square feet)	Annual rental per square feet	National security clause
					Cents	
General Motors, Flint, Mich	317	4.2	3.6	563,000	43.6	No.
Electric Auto Lite, Kings Mills, Ohio	Nobs-1599	3.2	2.1	134,000	37.2	No.
Portable Products Co., Philadelphia, Pa.	NOrd 1137	.4	.5	122,000	32.8	No.
A. C. Spark Plug Co., Milwaukee, Wis.	220	2.1	1.9	405,000	31.2	Standard.
General Motors, Kansas City, Mo	Navy Aircraft Plant 2.	17.4	8.5	1,751,000	38.6	No.
General Motors, Ambridge, Pa	Nobs-464	9.3	4.8	410,000	36.8	No.
Kaiser-Frazer, Willow Run, Mich	151	43.6	(1)	[2] 3,090,000	45.3	No.

[1] Not available.
[2] Includes 430,000 square feet of warehouse building.

Source: War Assets Administration.

TABLE B.—*Examples of war assets facility sales to automotive companies*

Purchaser	Plancor No.	NSC	Location	War cost (millions of dollars)	WAA fair value (millions of dollars)	Sales price		Percentage	
						Per square foot	Millions of dollars	To war cost	To fair value
Studebaker	40	Yes	South Bend, Ind	16.1	4.0	2.48	3.6	22	90
Ford	254	No	Dearborn, Mich	14.3	4.5	(1)	4.8	34	106
Briggs	252	No	Detroit, Mich	3.3	2.8	(1)	2.3	70	82
Kelsey-Hayes	1277	No	Monroe, Mich	13.5	3.6	(1)	2.5	19	70
General Motors	1053	No	Cleveland, Ohio	6.2	(1)	(1)	1.9	31	(1)
Nash	719	No	Kenosha, Wis. (engine).	4.6	(1)	(1)	1.1	24	(1)
Autolite	10	Yes	Lockland, Ohio	41.0	10.5	1.49	8.4	20	80
Bendix	14	Yes	South Bend, Ind	(1)	1.5	(1)	1.1	(1)	73
K-F	151	Yes	Willow Run, Mich	43.6	16.7	5.00	15.1	34.5	90.5
General Motors	(1)	(1)	Kansas City, Mo	17.4	(1)	4.00	[2] 7.0	40	(1)

[1] Not available.
[2] Option.

Source: War Assets Administration.

The charge: Kaiser-Frazer got a tremendous boost by purchasing from War Assets Administration a Utah blast furnace and arranging a lease on a Cleveland blast furnace; despite these subsidies the company couldn't compete.

BLAST FURNACES

The facts:

It already has been pointed out that Kaiser-Frazer did not enter the automobile business in times that were normal, both from the viewpoint of demand and manufacturing problems.

The abnormal demand for automobiles and other manufactured items in the immedate postwar period was tremendous. Consequently, the machines and raw materials needed to produce them were also in tremendous demand.

A newcomer to the automobile industry, Kaiser-Frazer found itself an outsider when it sought to place orders for steel. It was told that it had no historical position in the industry and, consequently, would have to take what was left after all the established car manufacturers received their allotments of steel.

In the spring of 1946 Mr. Henry Kaiser, Edgar F. Kaiser, and Mr. Joseph W. Frazer personally called on the presidents of most of the major steel companies to determine what amount of steel could be made available to Kaiser-Frazer for its new line of cars. Not a single major steel company would make a commitment to Kaiser-Frazer.

It became apparent that if Kaiser-Frazer was to begin operating its assembly lines, it would have to invest some of its resources in steel producing facilities. This was done.

In December 1947, Kaiser-Frazer decided to buy the Provo, Utah, blast furnace from the Government. The purchase was consummated in the spring of 1948 for $1,150,000, with 10 percent down payment, not for $782,000 fully deferred as Mr. O'KONSKI charged in the CONGRESSIONAL RECORD. The highest competing bid was $300,000—hearing before the Joint Committee to Study Problems of American Small Business, August 25, 1948, and records and reports of War Assets Administration.

This blast furnace was an old second-hand one owned and operated by United States Steel at Joliet, Ill. United States Steel sold it to the Government—Defense Plant Corporation—during World War II in 1942. The Government assumed the cost of dismantling, shipping, and reerection at Provo, Utah, and the building of appurtenance and beehive coke ovens.

United States Steel operated the plant without risk under a wartime management contract. Operational difficulties made production costs high and production was low. Production started July 1, 1943, and ceased February 14, 1944—even in the midst of war—because production costs were very high.

The furnace only produced 68,000 tons of pig iron in its 7½ months of operations. The average production cost—exclusive of interest and depreciation—was $33.88 per ton. Sixty-seven thousand eight hundred and eighty-four tons were sold—by the Government—at the OPA ceiling price which averaged $19.80 per ton—records of Defense Plant Corporation and Surplus Property Administration report to Congress, October 8, 1945. The Government subsidized, that is, absorbed the difference of $956,906. It is evident that Kaiser-Frazer took a white elephant off the Government's hands.

Kaiser-Frazer spent almost $2,000,000 on renovating the facility and adding equipment to it. In addition, a housing project was built for workers in the coal mines and in the coke-oven plant.

The furnace was brought into blast in the first half of 1948 and was operated until the end of April 1949. Pig iron from the furnace was sold largely at market prices to the Bethlehem Steel Co. for use in its west-coast plants in return for which Bethlehem sold to Kaiser-Frazer on the east coast hot- and cold-rolled sheets and hot bands.

The Federal Housing Administration called on Kaiser-Frazer at that time to supply considerable tonnages of pig iron to west coast cast-iron soil pipe producers. We accepted these allocations as a public responsibility even though, so far as we knew, we were the only captive furnace called upon to supply the housing program.

In August of 1948 we were advised by the War Assets Administration that a large blast furnace at Cleveland was up for sale. This blast furnace, Plancor 257, had been built by Republic Steel in World War II for the Government. Republic had operated it under lease. War Assets took bids; received two—Republic Steel and Tucker—and after deliberation rejected these bids. Efforts were made by War Assets to then negotiate a satisfactory lease or purchase with Republic Steel. These negotiations reached a stalemate in August 1948, when Republic refused to meet the War Assets terms and gave notice it was closing down the furnace on August 31, 1948—hearings of August 25, 1948, before a joint Senate and House committee. The property was a scrambled Government-owned facility being operated at the time under month-to-month lease by Republic Steel Corp.

Kaiser-Frazer notified WAA that it was not interested in bidding to buy the furnace. War Assets Administration then proposed a 20-year firm lease, with option to purchase, to Kaiser-Frazer. It was a 20-year lease giving an option to purchase the facilities at $15,200,000 and calling for monthly rentals based on the production of pig iron and coke. Kaiser-Frazer accepted the proposal.

Contrary to Mr. O'KONSKI's misleading charge in the CONGRESSIONAL RECORD, however, there were no valid offers in excess of the terms of the firm 20-year lease War Assets made with Kaiser-Frazer.

War Assets had previously received and rejected proposals from Tucker and Republic Steel which were lower than the terms of the lease made with Kaiser-Frazer. The following is quoted from congressional hearings on disposition of the furnace conducted by a Special Joint Committee to Study Problems of American Small Business on August 25, 1948:

Mr. Jess Larson (then Administrator of the WAA): "I would like to make this point clear, that at no time did Republic Steel Corp. ever make an offer to purchase for $13,600,000. They made an offer to lease for 20 years and after they paid us $13,600,000, plus some depreciation and less some interest, that the plant would then be theirs, but that they would not be obligated to take it."

Congressman BENDER, Republican, Ohio: "How much better is Kaiser's deal for the Government than the Republic deal?"

Mr. LARSON: "Well, this deal which we are getting ready to firm up now will bring into the War Assets Administration $1,549,500 a year (over a 10-year contract)."

Congressman BENDER: "How much better is that than the Republic deal?"

Mr. Larson: "That is about $280,000."

After the lease on the blast furnace was consummated with War Assets, Kaiser-Frazer completed an operating agreement with Republic and leased the furnace to the steel company. By this arrangement, there was no loss in production, and production was not stopped by Republic on August 31, 1948. Republic also received from Kaiser-Frazer $2,375,000 to build a new open hearth furnace and certain other facilities. In turn, Kaiser-Frazer received an option to purchase fixed amounts of pig iron at market prices as well as sheet steel for the life of the contract. The furnace was subsequently purchased by Republic Steel Corp., to which Kaiser-Frazer had assigned its rights.

RFC LOANS

The charge: Kaiser could not compete despite War Assets Administration subsidies. Kaiser went to RFC for help but had a $16,000,000 bank loan which RFC Review Committee doubted could be repaid. Pledged Willow Run plant as collateral on RFC loan while Kaiser-Frazer still owed the Government on the plant. The loan was fantastically ill-advised and dishonest to the core. Irregular procedure used in loan negotiations. Second loan granted to Kaiser-Frazer Sales Corp. although RFC doubted the ability of the company to make cars. Kaiser-Frazer being operated to line the pockets of Kaiser executives and ex-Government officials.

The facts:

There were no War Assets Administration subsidies. The blast furnaces which Kaiser-Frazer obtained from War Assets were purchased or leased at better prices than the Government could get elsewhere.

Kaiser-Frazer did apply to the RFC in September 1949 for a loan of $30,000,000. The reasons for this all stem from the Otis & Co. default on its underwriting contract in early 1948. Kaiser-Frazer also had an outstanding bank loan of $16,000,000, but contrary to the statement in the CONGRESSIONAL RECORD the banks were satisfied as to the prospects of repayment.

The Willow Run plant constituted only a small part of the collateral which the Kaiser-Frazer Corp. gave for the RFC loan. Equipment and installations in the Willow Run plant which were the property of Kaiser-Frazer and not previously mortgaged to the Government, had a loan greater than the purchase price of the plant itself.

In addtion to a chattel mortgage on this equipment the RFC received mortgages on other plants of K-F and a pledge of notes and other securities.

Furthermore, the first $15,000,000 of loss on the loan was guaranteed by Henry J. Kaiser Co., such guarantee in turn being secured by a pledge of marketable securities.

To say that the loan was fantastically ill-advised and dishonest to the core indicates only one thing—complete ignorance of the facts and the wholly malicious intent of the person supplying the Congressman this charge.

The Subcommittee on the Reconstruction Finance Corporation of the Senate Banking and Currency Committee stated in its report on July 19, 1951, after a complete and comprehensive review of K-F negotiations with the RFC:

> The alternative to approve of the first Kaiser-Frazer loan application was liquidation of the applicant's enterprise. Liquidation would have had serious effects on the company's employees, on its dealers, its distributors and suppliers and their employees, on its investors, and at least insofar as reputation was concerned, on Henry J. Kaiser and his associates in what are known as the Kaiser interests. "The effects which liquidation of the automobile company would have had on the Kaiser interests would undoubtedly have been felt in important American industries other than the automobile industry and they might have had important repercussions in those other industries. In the circumstances it was a difficult decision which the RFC was called upon to make.

The subcommittee also stated in its report:

> The subcommittee does not question the Kaiser-Frazer loans from the standpoint of their repayment, though repayment may ultimately be made from the proceeds of defense contracts and other operations not contemplated by the borrower or the RFC when the first loan was made.
>
> It is impressive that the other RFC loans to Kaiser-managed companies[3] have been repaid and that these enterprises have refinanced themselves by obtaining capital from private sources.

The accusation that the Kaiser-Frazer loan was not negotiated through proper channels also is erroneous. Every step in the loan negotiations was carried on properly and honestly. On February 22, 1951, Mr. Edgar F. Kaiser, president of Kaiser-Frazer, appeared before the subcommittee on the RFC and testified under oath concerning the manner in which Kaiser-Frazer's negotiations with the RFC had been conducted. Mr. Kaiser said:

> I want to state positively that neither I nor any executive of our company ever sought or engaged outside aid, directly or indirectly, to enter into or further negotiations with the RFC. We have always dealt directly and exclusively with officials of the agency, both at the regional office in Detroit and at the RFC headquarters here. There is no question about the facts on this subject because all of these negotiations were carried on either by me or by members of my executive staff.

In its report on the Kaiser-Frazer loans on July 19, 1951, the subcommittee stated:

> The validity of this statement (Mr. Edgar Kaiser's) has not been challenged by any evidence presented to the subcommittee or found in its staff studies on the Kaiser-Frazer loans, and nothing in this report is to be construed as a challenge to its validity.

The CONGRESSIONAL RECORD statement asks what happened to the "smelly Kaiser RFC deals exposed by the Senate Investigating Committee." There was nothing to expose and the subcommittee's report is evidence of this fact.

The attempt to make it appear as though Kaiser-Frazer considered itself so fortunate to get the first loan that it immediately ran back for more distorts the facts. Actually, the RFC knew at the time Kaiser-Frazer asked for the first loan that it proposed to ask for an additional line of credit. In the letter of transmittal applying for the first loan Mr. Edgar F. Kaiser advised the RFC that "we propose to make a further application for a line of credit in the amount of $15,000,000"—report of Subcommittee on Reconstruction Finance Corporation of Senate Banking and Currency Committee, July 19, 1951—for Kaiser-Frazer Sales Corp.

The charge that a question had arisen as to whether Kaiser-Frazer was being operated to make money as a corporation or to line the pockets of Kaiser and the ex-Government officials who arranged the deals and the loans is ridiculous.

The Henry J. Kaiser Co. would hardly have given a $20,000,000 guarantee to the RFC on the Kaiser-Frazer loans if an attempt was being made to drain Kaiser-Frazer of its assets and line some pockets.

There probably has never been another case in the history of the RFC, or in American industry, where a group owning 10 percent interest in a company pledged $20,000,000 of the group's own resources, or nearly 10 times the current market value of its stock ownership to protect the investment of those persons holding a 90 percent interest in the same company.

MISCELLANEOUS CHARGES AGAINST K-F

The charge: That Kaiser-Frazer stockholders' equity has virtually been wiped out and that the company faces insolvency.

The facts:

This is untrue. Those who supplied the Congressman with this story apparently did so for the calculated purpose of shaking confidence in the financial status of Kaiser-Frazer.

The charge that 1952 will be a loss year for Kaiser-Frazer—the statement placed in the CONGRESSIONAL RECORD claimed in one place that Kaiser-Frazer losses in the last 3 years ending December 31, 1951, exceeded $60,000,000 and in another place it states this loss as $65,000,000; both figures are incorrect; the 3-year loss was $55,898,000. The cumulative loss since the company started operations has been $46,578,000—does not conform to the outlook reported to the annual stockholders' meeting by Edgar F. Kaiser, president.

He stated that K-F was in the process of adjusting its automotive organization to Willow Run's present rate of auto production, so that, if presently forecast sales of Kaiser and Henry J's are maintained in the ratio forecast, automotive operations, independent of defense operations, will show a modest profit in the last half of this year.

As for over-all operations, Edgar Kaiser told the stockholders:

> Our forecasts show, on the basis of present schedules of production and estimated sales, a profit will be made for the year as a whole.

As a matter of fact, were the assets of Kaiser-Frazer to be revalued at their present-day worth, the net worth of Kaiser-Frazer would be considerably more, and not less, than that shown on its balance sheet. For instance, physical properties carried on the balance sheet at $52,000,000 were recently valued by the independent engineering firm of Coverdale & Colpitts at $99,000,000.

In fact, Congressman O'KONSKI charges that the Willow Run plant carried on the Kaiser-Frazer books at less than $15,000,000 actually has a worth of $105,000,000. If the Congressman is right in his valuation of the Willow Run plant, Kaiser-Frazer actually had a net worth at the end of the year of more than $100,000,000.

The charge: Judge Augustus Hand held that "the Kaiser-Frazer prospectus with respect to its 1948 issue was definitely misleading and fraudulent."

The facts:

This is not true. The United States Court of Appeals for the Second Circuit did not find any fraud in connection with the prospectus. It merely held that an earnings table in the prospectus was misleading on the grounds that a footnote was not sufficiently explicit.

The decision of the court of appeals leaves undisturbed the findings of the District Court that Otis & Co. conspired to cause a lawsuit to be brought in order to have an "out" under its underwriting contract.

Application is being made by Kaiser-Frazer to the United States Supreme Court to review the decision of the court of appeals.

The charge:

> Can it be that Henry Kaiser also has friends in the Securities and Exchange Building?

The facts: This is typical of the innuendoes and untruths which pervade all of the accusations made by Congressman O'KONSKI. There has never been any doubt about the thoroughness with which the SEC checked the prospectus. So far as Kaiser-Frazer was concerned, it had nothing to hide, as the Congressman tries to intimate, and consequently did not have to resort to friendships, a method he seems to know a great deal about, to have its prospectus approved.

The charge: That defense money is being used to bail out Kaiser-Frazer.

The facts: No funds have been advanced by the Air Force to Kaiser-Frazer. Kaiser-Frazer does have a regulation V loan from three private banks on which repayment of principal and interest is guaranteed in part by the Air Force.

There has been no attempt by the Air Force or any other procurement agency to bail out Kaiser-Frazer. Contracts were awarded on the basis of the plants which Kaiser-Frazer owned and could make available for the performance of

[3] Fontana steel plant, $123,305,000 plus interest of $22,989,604; Permanente Magnesium, $28,475,000 plus interest of $3,262,761; Fleetwings, $1,000,000 plus interest of $77,500; total, $152,780,000 plus interest of $26,329,865.

defense work and the production record of its executive staff.

The CONGRESSIONAL RECORD statement gives an erroneous impression that Willow Run was suddenly designated for airframe manufacturing in order to bail out Kaiser-Frazer financially. More than 2 years prior to the award of the C–119 plane contract the Air Force had designated the Willow Run plant for the production of military aircraft.

This designation and all negotiations and discussions were based on the fact that Willow Run, in World War II, was an airframe—B–24 bombers—manufacturing plant for the Air Force. When the plant was purchased by K-F, the Government insisted on including a national security clause in the deed, giving the Government the right to convert the plant to defense production at any time.

The Air Force initiated discussions in the fall of 1948, culminating in negotiations for an industrial preparedness study in the fall of 1949. At the outset, prior to the commencement of the Korean conflict, the Kaiser-Frazer Willow Run plant was designated by the Air Force for potential manufacture of the B–50 bomber. Then in April 1950, prior to the Korean outbreak, Willow Run was designated in the industrial mobilization planning to build the more modern B–47 bombers.

However, when the Air Force proposed to have C–119's built at Willow Run, instead of bombers, Kaiser-Frazer officials were informed that the air experience in Korea made it imperative to switch plans for Willow Run from bombers into cargo planes. Kaiser-Frazer accepted the new assignment that Air Force strategy and requirements dictated for Willow Run, having done nothing whatever to influence the decision as to which type of aircraft K-F should build.

The above facts are a matter of public record and can be checked by reference to the Senate Banking and Currency Subcommittee's Report on Loans to Kaiser-Frazer, issued July 19, 1951.

RFC LOANS TO KAISER ENTERPRISES

The charge:

With the granting of the above two loans, the total indebtedness of Kaiser interests to the RFC reached a figure of approximately $140,265,000. In November 1949, loans to Henry J. Kaiser and his breed amounted to 32.4 percent of the total amount of such RFC loans. A Government representing over 150,000,000 people has no business operating a finance company to support 1 out of that 150,000,000 citizens, and I cannot believe that objective thinking motivated the RFC when it committed its funds in this ridiculously overbalanced fashion. It was merely a plot of Government officials saying, "Kaiser, we will take care of you—but you must take care of us."

The facts:

The above figures grossly distort the proportion of RFC loans made to Kaiser-managed companies, either in November 1949 or any time before or since.

At the end of its fiscal year on June 30, 1949, RFC had loans and participations in loans outstanding to private corporations and individuals of about $1,200,000,000, including bank, railroad, real estate, and industrial loans.

Of this total, the only outstanding loan to any Kaiser enterprise was the remaining unpaid balance of about $95,000,000 on the wartime loan for the construction of the Kaiser steel plant at Fontana, Calif., or approximately 7.9 percent of the total loans outstanding.

At the end of its fiscal year on June 30, 1950, RFC had loans and participations outstanding to private corporations, railroads, financial institutions, industrial and commercial enterprises, and individuals of about $1,900,000,000.

Of this total, the only loans to any Kaiser enterprise were the remaining balance of the Kaiser Steel loan—about $90,000,000—and loans of $44,400,000 to Kaiser-Frazier Corp. and its subsidiaries, or approximately 7.1 percent.

The Kaiser Steel loan was paid off in full in November 1950 long before its maturity. At the end of its fiscal year on June 30, 1951, RFC had loans and participation in loans outstanding to private corporations and individuals of approximately $740,000,000.

Of this total, the only loans to any Kaiser enterprise were loans of approximately $60,000,000 to Kaiser-Frazer Corp. and subsidiaries. This amounted to about 8.1 percent of the total loans outstanding.

At the most recent date available—March 31, 1952—RFC had loans and participations outstanding to private corporations and individuals of approximately $720,000,000.

Of this total, the only outstanding loan to any Kaiser enterprise was the remaining unpaid balance of approximately $54,793,350—of the $54,793,350 total outstanding March 31, 1952, $7,682,000 of the amount available to the borrower was then in cash collateral account held by RFC making the net outstanding $47,111,000; as of May 21, 1952, the net had been reduced to $44,527,000—on the loans to Kaiser-Frazer Corporation and subsidiaries. This amounted to about 7.6 percent of the total RFC loans outstanding.

This may be compared with the Baltimore & Ohio Railroad's outstanding indebtedness to the RFC of approximately $73,000,000, which is approximately 10.1 percent of the total RFC loans outstanding.

Three of the Kaiser loans, aggregating $152,780,000 were World War II defense loans, of which the steel plant—Fontana—loan—$123,305,000—was certified as necessary for war by the War Production Board; the magnesium plant loan—$28,475,000—was certified by the Office of Defense Production as necessary for war, and the third loan—Fleetwings—for $1,000,000 was certified by the War Department as necessary and essential to increasing war production of fighter and bomber plane subassemblies, and all have been paid off in full with interest at 4 percent. Interest alone paid on these three loans totaled $26,329,865.

The subsequent loans made to the fourth company, Kaiser-Frazer Corp., are in good standing and are not in default. The Senate Banking and Currency Subcommittee—Fulbright—Report on these loans, published July 19, 1951, stated:

The subcommittee does not question the Kaiser-Frazer loans from the standpoint of their repayment.

The above figures can be checked from the published annual reports of the RFC and published financial statistics of the Kaiser companies concerned. Some of the congressional hearings and reports which refer to those RFC loans are given below:

Hearings before Senate Banking and Currency Committee, March 27, 28, 1946.

Hearings before Special Subcommittee To Investigate the RFC, Senate Banking and Currency Committee, December 3, 11, and 12, 1947; January 14, 15, 16, and 22, 1948.

Hearings before the Senate Banking and Currency Committee on the Fontana Steel Loan, January 22, and 23, 1948.

Hearings before Subcommittee of Senate Banking and Currency Committee to study operations of the RFC, May 8, and 9, 1950; February 21, 22, 23, 26, 27, and March 1, 1951.

Report of Subcommittee of Senate Banking and Currency Committee to study operations of the RFC, entitled "Loans to Kaiser-Frazer Corp. and Kaiser-Frazer Sales Corp.," July 19, 1951.

GENERAL CHARGES

The charge: That Henry Kaiser is a "bloodsucker" and a "human leech" and should be "eliminated."

The facts:

The reckless nature of these statements indicates that the persons and interests who instigated the baseless charges are engaged in a conspiracy to do great damage to the work of Henry Kaiser and the Kaiser industries.

Other drives have been made in the past to eliminate the competitive force of Kaiser; other ferocious attacks have been made under cloak of congressional immunity, but repeatedly the truth has overcome the attacks.

Yet here in a free land which does not engage in liquidation and secret purges without trial, there is printed in the CONGRESSIONAL RECORD a brazen, startling demand that Henry J. Kaiser be eliminated.

The wildness of the falsehoods and of this demand to eliminate Kaiser indicates that hidden parties and selfish interests are now resorting to violent, undercover plotting aimed against the defense contributions being made by the Kaiser industries.

Such efforts rightly become a direct concern of the Government, particularly of the Congress, which has it within its power to investigate, expose, and stop the perpetrators of these injustices.

The charge: It is known that at this very moment negotiations are under way for further RFC loans.

The facts: The Congressman's statement is completely erroneous. There has not been nor is there now an application pending with RFC. Harry A. McDonald, RFC Administrator, has categorically denied within the last week

that a loan application is pending. His denial was carried by the Detroit Times.

AFFIDAVIT

STATE OF CALIFORNIA,
County of Alameda, ss:

Henry J. Kaiser and E. E. Trefethen, Jr., being duly sworn, depose and say:

1. We are officers of Henry J. Kaiser Co., Kaiser-Frazer Corp., Kaiser Steel Corp., Kaiser Aluminum & Chemical Corp., and other companies managed by the Kaiser organization.

2. We have read the account beginning on page 5694 of the CONGRESSIONAL RECORD for May 21, 1952, of the speech delivered by Congressman O'KONSKI, of Wisconsin making various charges against the Kaiser organization.

3. We have personal knowledge of certain matters referred to by Congressman O'KONSKI and have caused a careful investigation to be made with respect to other matters mentioned by him, and we have read the statement to which this affidavit is attached. Based on our personal familiarity with those matters within our knowledge and our investigation of other matters, we hereby affirm that the facts set forth in the foregoing statement are true to the best of our knowledge and belief.

In witness whereof we have hereto set our hands and seals this 9th day of June 1952.

HENRY J. KAISER,
E. E. TREFETHEN, Jr.

Subscribed and sworn to before me this 9th day of June 1952.

[SEAL] MARIE E. SCHWAB,
Notary Public in and for the County of Alameda, State of California.

My commission expires May 26, 1954.

AFFIDAVIT

Edgar F. Kaiser and Chad F. Calhoun, being duly sworn, depose and say:

1. We are officers of Henry J. Kaiser Co., Kaiser-Fraser Corp., Kaiser Steel Corp., Kaiser Aluminum & Chemical Corp., and other companies managed by the Kaiser organization.

2. We have read the account beginning on page 5694 of the CONGRESSIONAL RECORD for May 21, 1952, of the speech delivered by Congressman O'KONSKI, of Wisconsin, making various charges against the Kaiser organization.

3. We have personal knowledge of certain matters referred to by Congressman O'KONSKI and have caused a careful investigation to be made with respect to other matters mentioned by him, and we have read the statement to which this affidavit is attached. Based on our personal familiarity with those matters within our knowledge and our investigation of other matters, we hereby affirm that the facts set forth in the foregoing statement are true to the best of our knowledge and belief.

In witness whereof we have hereto set our hands and seals on the dates shown below.

EDGAR F. KAISER.
CHAD F. CALHOUN.

Subscribed and sworn to before me in the County of Washtenaw, State of Michigan, by Edgar F. Kaiser, this 11th day of June 1952.

[SEAL] GERTRUDE A. HEWITT,
Notary Public in and for the County of Washtenaw, State of Michigan.

My commission expires October 16, 1953.

Subscribed and sworn to before me in the District of Columbia, by Chad F. Calhoun, this 12th day of June 1952.

[SEAL] CATHERINE A. COPPOLA,
Notary Public in and for the District of Columbia.

My commission expires August 31, 1956.

The SPEAKER pro tempore. [Mr. FURCOLO]. Under previous order of the House, the gentleman from New York [Mr. COLE] is recognized for 10 minutes.

LEASING MILITARY AIR TRANSPORT PLANES TO PRIVATE OPERATORS

Mr. COLE of New York. Mr. Speaker, I would like to call to the attention of the House another clear-cut example of a short-sighted policy on the part of the military leaders that is costing the taxpayers of this Nation millions of dollars annually. I refer, Mr. Speaker, to the present policy being followed by the Air Force in leasing military air transport planes to private operators for ridiculously low monthly rentals. These rentals are agreed on by the Air Force and the lessee without any consideration of competitive bidding and result in a waste of almost $4,000,000 a year.

Mr. Speaker, I have long been concerned about this matter and, as I shall detail, I have been in communication with the Air Force in an attempt to obtain an understanding of their policy and to make them do everything possible to lease these costly transport planes on a basis fair to everyone—especially the taxpayer.

In early January it came to my attention that the market value of transport type aircraft, both new and used, had increased substantially. Specifically, aviation trade publications indicated that C–54 airplanes were selling as high as $600,000 each and were being leased at a rate in excess of $150,000 per year.

Knowing that the military services were leasing C–54 aircraft to individuals and air carriers, I directed a letter on January 14, 1952, to Hon. Thomas K. Finletter, Secretary of the Air Force, asking the number of C–54 aircraft the military had out on lease, the lease rate, lease terms, and other data pertinent to a determination of whether the Air Force was reflecting the increased value and demand for C–54 aircraft in the rates they were charging.

On February 19, 1952, I received a reply from Mr. R. L. Gilpatric, Undersecretary of the Air Force detailing the information I had requested.

The Air Force has out on lease 38 C–54 aircraft for 30 of which they are receiving a monthly rental of $4,821 each, and for 8 of which they are receiving a monthly rental of $3,000 each.

Mr. Gilpatric indicated in his letter that due to the great increase in value of C-54 aircraft, he had been giving much thought to changing the present leasing policy. He advised that he has asked the Air Staff to make a complete review of the entire problem, and, as part of that study, to consider whether the existing leases should not be terminated, either all at one time, phased over the period, or allowed to continue until their present terms expire, which is August, September, and December of 1954.

Among other considerations enumerated, was the possibility of leasing the aircraft on a competitive bid basis rather than attempting to adjust rentals to current commercial rates, which may change during the term of the particular lease.

On June 9, 1952, a check with the Air Force indicated that the above study was not yet complete, and that there had been no increase in these rates on C-54 aircraft.

To determine the present lease rates being charged by individuals and air carriers among themselves on the open market, I obtained from CAB public records the present lease rates for 13 such aircraft, and found that the monthly rental per C–54 ranged from $8,000 to as high as $20,000. The average monthly rental for these 13 aircraft was $13,000.

It is a matter of simple arithmetic to determine that the Air Force is receiving a monthly rental of $168,630, or a yearly rental of $2,023,560. If the Air Force charged the present rate charged by commercial lessors of C–54 aircraft, they would receive $494,000 per month instead of $168,630, or $5,928,000 a year instead of $2,023,560—resulting in an increased annual income of $4,000,000 a year.

I submit, Mr. Speaker, that the information I have made public here shows that the present Air Force policy in leasing these aircraft is not only wasteful and unwise but a disservice to the American taxpayer. This situation should be corrected immediately. Certainly the Air Force has had sufficient time to complete the study which Mr. Gilpatric said it was making. The study has been going on for at least 6 months, and in the meantime another $2,000,000 has been wasted. The entire situation warrants, in my opinion, an immediate change of policy, which will result in a saving to the taxpayer of some $4,000,000 annually.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted as follows:

Mr. CHELF and to include a statement by Mr. John Watts before the Committee on Agriculture.

Mr. LANE in three instances and include extraneous matter.

Mr. HERLONG and to include a speech delivered by a distinguished citizen in his district.

Mr. MULTER in three instances and to include extraneous matter.

Mr. FORAND and to include editorials.

Mr. PRICE in three instances and to include extraneous matter.

Mr. SMITH of Wisconsin in two instances and to include extraneous matter.

Mr. DONDERO and to include a short article.

Mr. D'EWART.

Mr. AUCHINCLOSS and to include three short poems.

Mr. TOLLEFSON and to include extraneous matter.

Mr. MURDOCK in two instances and to include extraneous matter.

Mr. VAIL (at the request of Mr. MARTIN of Massachusetts) and to include extraneous matter.

Mr. O'HARA to revise and extend remarks he made in the Committee of the Whole today and to include two letters.

Mr. SHELLEY (at the request of Mr. PRIEST) and to include a copy of a bill introduced by Mr. SHELLEY.

Mr. DONOHUE.

Mr. LECOMPTE and to include extraneous matter from a series of letters.

Mr. OSTERTAG and to include an editorial.

Mr. COLE of New York and to include two editorials.

Mr. SCUDDER and to include a newspaper article.

Mr. CRAWFORD and to include a statement by a prisoner of war.

Mr. POULSON in two instances and to include extraneous matter.

Mr. VAN ZANDT in two instances and to include extraneous matter.

Mr. BLATNIK.

Mr. BENDER in three instances.

Mr. MCCORMACK in three instances, in one to include an address made by him recently and in another to include addresses recently made at the Armenian Independence Day meeting in Boston.

ENROLLED BILLS SIGNED

Mr. STANLEY, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1739. An act to amend section 331 of the Public Health Service Act, as amended, concerning the care and treatment of persons afflicted with leprosy; and

H. R. 6787. An act to extend the Rubber Act of 1948 (Public Law 469, 80th Cong.), as amended, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 216. An act to amend section 631b of title 5, United States Code by adding a new subsection to be cited as subsection (c);

S. 1536. An act to stabilize the economy of dependent residents of New Mexico using certain lands of the United States known as the North Lobato and El Pueblo tracts, originally purchased from relief program funds, and now administered under agreement by the Carson and Santa Fe National Forests, to effect permanent transfer of these lands, and for other purposes;

S. 1932. An act to authorize the establishment of facilities necessary for the detention of aliens in the administration and enforcement of the immigration laws, and for other purposes;

S. 2390. An act to amend section 302 (4) of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, relating to penalties;

S. 2610. An act providing that excess-land provisions of the Federal reclamation laws shall not apply to certain lands that will receive a supplemental or regulated water supply from the San Luis Valley project, Colorado;

S. 2748. An act authorizing vessels of Canadian registry to transport iron ore between United States ports on the Great Lakes during 1952; and

S. 3019. An act to amend the Career Compensation Act of 1949, as amended, to extend the application of the special-inducement pay provided thereby to physicians and dentists, and for other purposes.

ADJOURNMENT

Mr. MILLER of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 16 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 18, 1952, 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:

1571. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1953 in the amount of $1,042,400 for the Federal Security Agency (H. Doc. No. 509); to the Committee on Appropriations and ordered to be printed.

1572. A communication from the President of the United States, transmitting estimates of appropriation for the fiscal year 1953, in the amount of $6,447,730,750, to carry out the purposes of the Mutual Security Act of 1952 (Public Law 165, 82d Cong.) (H. Doc. No. 510); to the Committee on Appropriations and ordered to be printed.

1573. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1953 in the amount of $80,000,000 for the Federal Security Agency (H. Doc. No. 511); to the Committee on Appropriations and ordered to be printed.

1574. A letter from the Secretary of Commerce, transmitting a draft of a proposed bill entitled "A bill to authorize the construction of two surveying ships for the Coast and Geodetic Survey, Department of Commerce, and for other purposes"; to the Committee on Merchant Marine and Fisheries.

1575. A letter from the Assistant Secretary, Department of State, transmitting a letter dated May 14, 1952 from Mr. A. de las Alas, president of the Chamber of Commerce of the Philippines, in respect to House bill 6292, a bill to eliminate the 3-cent processing tax on coconut oil, pursuant to the request of the Ambassador of the Philippines, Carlos P. Romulo; to the Committee on Ways and Means.

1576. A letter from the Attorney General, transmitting the report of activities of the Department of Justice for the fiscal year ended June 30, 1951; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KILDAY: Committee on Armed Services. H. R. 5065. A bill to authorize payment for transportation of dependents, baggage, and household goods and effects of certain officers of the naval service under certain conditions, and for other purposes; with amendment (Rept. No. 2178). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee of Armed Services. H. R. 5198. A bill authorizing and directing the Secretary of the Army to transfer certain property located in St. Thomas, V. I., to the control and administrative supervision of the Department of the Interior; without amendment (Rept. No. 2179). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 6601. A bill to amend the act of July 16, 1892 (27 Stat. 174, ch. 195), so as to extend to the Secretary of the Navy, and to the Secretary of the Treasury with respect to the Coast Guard, the authority now vested in the Secretaries of the Army and Air Force with respect to the withholding of officers' pay; without amendment (Rept. No. 2180). Referred to the Committee of the Whole House on the State of the Union.

Mr. SIMPSON of Pennsylvania: Committee on Ways and Means. H. R. 7255. A bill to amend section 165 (b) of the Internal Revenue Code (relating to employee stock-purchase plans); without amendment (Rept. No. 2181). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELANEY: Select Committee To Investigate the Use of Chemicals in Foods and Cosmetics. Report pursuant to House Resolution 74 and House Resolution 447, Eighty-second Congress, first session; without amendment (Rept. No. 2182). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Texas: Committee on Interstate and Foreign Commerce. H. R. 7126. A bill to authorize and direct the Secretary of Commerce to convey certain land and grant certain easements to the State of California for highway-construction purposes in Richmond, Calif.; with amendment (Rept. No. 2183). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 7993. A bill to authorize the loan of two submarines to the Government of the Netherlands; with amendment (Rept. No. 2184). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 694. Resolution for consideration of H. R. 7778, A bill to authorize emergency appropriations for the purpose of erecting certain post office and Federal court buildings, and for other purposes; without amendment (Rept. No. 2185). Referred to the House Calendar.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 695. Resolution for consideration of H. R. 7888, A bill to amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States; without amendment (Rept. No. 2187). Referred to the House Calendar.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 696. Resolution for consideration of H. R. 8210, A bill to amend and extend the Defense Production Act of 1950, as amended, and the Housing and Rent Act of 1947, as amended; without amendment (Rept. No. 2186). Referred to the House Calendar.

Mr. COOLEY: Committee on Agriculture. H. R. 8122. A bill to continue the existing method of computing parity prices for basic agricultural commodities, and for other purposes; without amendment (Rept. No. 2188). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 697. Resolution providing for the consideration of H. R. 4528, a bill to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State or political subdivision thereof in which the sale of such fireworks is prohibited; without amendment (Rept. No. 2189). Referred to the House Calendar.

Mr. BARDEN: Committee on Education and Labor. Report pursuant to House Reso-

lution 532, Eighty-second Congress, second session, to direct the Committee on Education and Labor to conduct an investigation of the Wage Stabilization Board; without amendment (Rept. No. 2190). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY:

H. R. 8234. A bill to amend section 5 of the act of June 29, 1888, relating to the office of supervisor of New York Harbor; to the Committee on Public Works.

By Mr. COLE of New York:

H. R. 8235. A bill to amend title II of the Social Security Act to provide that ministers may elect to receive old-age and survivors insurance coverage by treating service performed in the exercise of their ministry as self-employment, and for other purposes; to the Committee on Ways and Means.

By Mr. DAWSON:

H. R. 8236. A bill to authorize and direct the Administrator of General Services to transfer to the Department of the Air Force certain property in the State of Alabama; to the Committee on Expenditures in the Executive Departments.

By Mr. RANKIN (by request):

H. R. 8237. A bill to amend the Social Security Act, as amended, to provide for the payment of monthly insurance benefits to widows of individuals who died before January 1, 1940; to the Committee on Ways and Means.

By Mr. RANKIN:

H. R. 8238. A bill to authorize payment of the servicemen's indemnity to survivors of members of the National Guard who die while engaged in any training duty under competent orders; to the Committee on Veterans' Affairs.

By Mr. REAMS:

H. R. 8239. A bill to amend the Annual and Sick Leave Act of 1951 to eliminate a discrimination against spouses who are themselves Federal employees; to the Committee on Post Office and Civil Service.

By Mr. ROOSEVELT:

H. R. 8240. A bill to amend section 23 (x) of the Internal Revenue Code with respect to the amount of medical expenses allowed as a deduction; to the Committee on Ways and Means.

By Mr. WALTER:

H. R. 8241. A bill to amend the Internal Revenue Code to exempt certain beneficiary associations from the tax on corporations; to the Committee on Ways and Means.

By Mr. WICKERSHAM:

H. R. 8242. A bill to authorize research work in weed control, grass culture, and soil-fertility maintenance at Panhandle Agricultural and Mechanical College, Goodwell, Okla.; to the Committee on Agriculture.

By Mr. POAGE:

H. R. 8243. A bill to authorize the Secretary of Agriculture to cooperate with the States and local agencies in the planning and carrying out of works of improvement for soil conservation, and for other purposes; to the Committee on Agriculture.

By Mr. WINSTEAD:

H. R. 8244. A bill to amend the Universal Military Training and Service Act, as amended; to the Committee on Armed Services.

By Mr. BECKWORTH:

H. R. 8245. A bill to provide for the issuance of a special postage stamp in commemoration of the organization of the National Rural Letter Carriers' Association; to the Committee on Post Office and Civil Service.

By Mr. RHODES:

H. R. 8246. A bill to adjust rates of postage on publications of religious, educational, philanthropic, agricultural, labor, veterans', and fraternal organizations or associations entered as second-class matter; to the Committee on Post Office and Civil Service.

By Mr. HAYS of Arkansas:

H. Res. 693. Resolution to authorize the printing of the Road to Industrial Peace as a House document; to the Committee on House Administration.

By Mr. SHAFER:

H. J. Res. 482. Joint resolution to authorize the American Battle Monuments Commission to prepare plans for, erect, and maintain a suitable monument commemorating the battle between the *Bon Homme Richard* and the *Serapis*; to the Committee on Foreign Affairs.

H. J. Res. 483. Joint resolution to authorize the American Battle Monuments Commission to prepare plans for, erect, and maintain a suitable memorial to Commodore Stephen Decatur; to the Committee on Foreign Affairs.

H. J. Res. 484. Joint resolution to authorize the American Battle Monuments Commission to prepare plans for, erect, and maintain a suitable monument commemorating the great sea battle between the *Alabama* and the *Kearsarge*; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Montana, relative to transmitting a certified copy of House bill No. 329, the Interstate Civil Defense and Disaster Compact Act, which was ratified by the 1951 session of the Montana Legislative Assembly; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 8247. A bill for the relief of Giovanni DeLuca; to the Committee on the Judiciary.

H. R. 8248. A bill for the relief of Vincenzo Damiano; to the Committee on the Judiciary.

H. R. 8249. A bill for the relief of Filiberto Staderini; to the Committee on the Judiciary.

H. R. 8250. A bill for the relief of Mario Iannuzzi; to the Committee on the Judiciary.

H. R. 8251. A bill for the relief of Peter Goestel; to the Committee on the Judiciary.

By Mr. BARRETT:

H. R. 8252. A bill for the relief of Garabed Meghrigian; to the Committee on the Judiciary.

H. R. 8253. A bill for the relief of Hemayak Meghrigian; to the Committee on the Judiciary.

By Mr. BARTLETT:

H. R. 8254. A bill to authorize the sale of certain public land in Alaska to the Community Club of Chugiak, Alaska; to the Committee on Interior and Insular Affairs.

By Mr. BETTS:

H. R. 8255. A bill for the relief of the Cooper Tire & Rubber Co.; to the Committee on the Judiciary.

By Mr. CURTIS of Missouri:

H. R. 8256. A bill for the relief of Andrew Trittner; to the Committee on the Judiciary.

By Mr. McCARTHY:

H. R. 8257. A bill for the relief of Henry Sauber; to the Committee on the Judiciary.

H. R. 8258. A bill for the relief of Wadih Bakhos Boula; to the Committee on the Judiciary.

By Mr. McGRATH:

H. R. 8259. A bill for the relief of Ohan Evrenian and Mrs. Vehanoush Evrenian; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 8260. A bill for the relief of Sisters Elvira Stornelli and Augusta Sale; to the Committee on the Judiciary.

H. R. 8261. A bill for the relief of Emilio Federico Aikler; to the Committee on the Judiciary.

By Mr. MULTER:

H. R. 8262. A bill for the relief of the Fulton Trouser Co., Inc.; to the Committee on the Judiciary.

By Mr. RABAUT:

H. R. 8263. A bill for the relief of Soly S. Bencuya; to the Committee on the Judiciary.

By Mr. RICHARDS:

H. R. 8264. A bill for the relief of J. Wilson Laney; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 8265. A bill for the relief of Charles G. Friedman; to the Committee on the Judiciary.

By Mr. SASSCER:

H. R. 8266. A bill for the relief of Mrs. Ann Elizabeth Caulk; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 8267. A bill for the relief of Mate Derokov (also known as Matt Derokov); to the Committee on the Judiciary.

By Mr. SIKES:

H. R. 8268. A bill for the relief of George W. Fuller, Jr.; to the Committee on the Judiciary.

By Miss THOMPSON of Michigan:

H. R. 8269. A bill for the relief of George A. Ferris; to the Committee on the Judiciary.

SENATE

WEDNESDAY, JUNE 18, 1952

(Legislative day of Tuesday, June 10, 1952)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Lord our God, who hast fashioned all hearts to love Thee, created all desires to be satisfied in Thee, and made all paths to lead to Thee: For this hallowed moment we would bow, waiting for the benediction of Thy grace for the work committed to our hands. We thank Thee for the revelation of Thyself in the beauty and glory of nature, and for the greater knowledge of Thee found in the lives of noble men and women; but above all we lift our Te Deum for the Word that was made flesh, and dwelt among us, full of grace and truth.

Subdue the clamor of our hearts, soften every alien note, dispel every evil mood, and grant Thy servants here devotion and wisdom to write in this Chamber of the people's trust and prayer a record of faith and hope and care for the plight of humanity under all skies. Amen.