

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
FORT LAUDERDALE DIVISION

No. 0:23-cv-61890-SMITH

STATE OF FLORIDA,

Plaintiff,

v.

PETE BUTTIGIEG, *et al.*,

Defendants.

**PROPOSED INTERVENORS' COMBINED (1) OPPOSITION TO PLAINTIFF
FLORIDA'S MOTION FOR SUMMARY JUDGMENT UNDER FRCP 56, AND (2)
CROSS-MOTION FOR A DISMISSAL OF FLORIDA'S CLAIMS UNDER FRCP 12(b)(6)**

In the hope that this Court grants their pending joint motion to intervene as defendants, the Amalgamated Transit Union International (“ATU”) and the Transport Workers Union of America (“TWU”) hereby tender this combined opposition brief and cross-motion for dismissal for the Court’s acceptance and consideration.¹ And, as committed to in their joint motion to intervene, ATU and TWU have tendered this submission by the same December 15, 2023 briefing deadline applicable to the current defendants’ combined opposition brief and dispositive motion. However, should intervention be denied, ATU and TWU respectfully request that the Court treat this submission as an amicus brief in support of the current defendants’ combined opposition brief and dispositive motion filed today.

INTRODUCTION AND SUMMARY OF ARGUMENT

Florida’s summary judgment motion begins with the provocative assertion that the Defendant United States Department of Labor (“DOL”) has delivered an “ultimatum” to Florida that unless it “waive[s] the requirements of” a recently enacted state law (SB 256) adopting “several reasonable reforms to the [existing public sector] collective bargaining process” in Florida, the State will “lose nearly \$800 million in federal funding.” See Fla. SJ Mot. at 1. But this provocative assertion is misleading in two respects that bear emphasis upfront.

First, the DOL’s so-called “ultimatum” to Florida is *not* that the State must “waive the requirements of” SB 256 *in toto* to obtain the desired federal funding. Rather, the DOL’s position is that the State must waive certain requirements of SB 256 (which are expressly made waivable by SB 256) that otherwise would apply to a relatively small proportion of unionized

¹ The opposition portion of this submission is directed to Plaintiff Florida’s motion for a preliminary injunction docketed at ECF No. 6, which under this Court’s scheduling order docketed at ECF No. 11 has been converted into a summary judgment motion. For clarity’s sake, all citations herein to Florida’s converted motion will be identified as “Fla. SJ Mot. at ____.”

public employees in Florida—namely, unionized public *transit* employees—who are afforded specific legal rights and protections under a federal statutory provision known as “§ 13(c)” which conditions federal *transit* funding on compliance with certain express statutory dictates, including the focus of this case, the dictate in § 13(c)(2) that the collective bargaining rights of public *transit* employees be continued. That being so, the outcome of this case will in no way impact Florida’s ability, without loss of federal funding, to apply all of SB 256’s requirements to all other unionized public employees within the State who fall within SB 256’s sweep.

Second, Florida’s portrayal of SB 256’s provisions as “reasonable reforms to the [existing public sector] collective bargaining process” in Florida is highly dubious and self-serving. On its face, SB 256 targets and disadvantages only certain disfavored public sector unions and their employee members, while explicitly exempting identically-situated public sector unions representing law enforcement officers, correctional officers, correctional probation officers, and firefighters from the law’s most far-reaching and disadvantageous requirements. See Fla. Stat. §§ 447.303(2)(a); 447.305(9). No legislative measure genuinely aimed at “reforming” the existing public sector collective bargaining process in Florida would play favorites in such an arbitrary and blatantly political manner.

Florida’s principal legal claim in this case is that the DOL’s so-called “ultimatum” to the State is “unlawful” because the federal statutory provision invoked by the DOL in delivering that “ultimatum”—§ 13(c)(2) conditioning federal transit funding on the continuation of collective bargaining rights—is so “hopelessly ambiguous” that a State cannot possibly ascertain what is required of it to secure such funding, thereby rendering § 13(c)(2) unconstitutional under the Spending Clause on the reasoning recently articulated and applied in West Virginia v. Dep’t of

Treasury, 59 F.4th 1124 (11th Cir. 2023). See Fla. SJ Mot. at 1, 9-14.² This constitutional claim is nothing short of breathtaking, given that § 13(c)(2) was enacted *in 1964* and reenacted *in 1991* and has never been challenged on this basis. Unsurprisingly, the claim is meritless from start to finish, as we develop more fully in Argument Section I below.

To start with, quite remarkably given its breathtaking nature, Florida’s assertion that § 13(c)(2) is “hopelessly ambiguous” is unaccompanied by *any* analysis of that provision’s text and legislative history. Instead, Florida’s assertion rests *entirely* on an abbreviated and largely conclusory discussion of a state court decision and two federal district court decisions that Florida contends conclusively establish the existence of such hopeless ambiguity. See id. at 1-2, 10, 11-12. Florida’s exclusive reliance on these three decisions is badly misplaced and unavailing for two separate reasons.

First, while focusing on these three decisions, Florida largely ignores the only federal appellate court decision on the books dealing with the proper interpretation and application of § 13(c)(2)—namely, the D.C. Circuit’s decision in ATU v. Donovan, 767 F.2d 939 (D. C. Cir. 1985). And, to the limited extent Florida treats with ATU v. Donovan, its treatment is so distorted and incomplete that it appears purposely calculated to obscure that appellate decision’s damaging (if not fatal) impact on Florida’s constitutional claim.

Second, Florida’s cited state court decision and two federal district court decisions get the State nowhere even taken in isolation. As it does regarding the ATU v. Donovan decision,

² There is loose language in Florida’s motion suggesting that all of § 13(c) is unconstitutional such that Defendants should be enjoined from enforcing § 13(c) *in toto*, see e.g. Fla. SJ Mot. at 9 (section title); id. at 17 (request for relief in the motion’s conclusion). But Florida provides no caselaw or other support for this result; and, indeed, tacitly concedes the constitutionality of the requirement in § 13(c)(1) that rights under existing collective bargaining agreements be preserved as a condition for federal funding by explicitly stating that Florida “does not contest” that prior waivers granted by PERC were “necessary to comply with” § 13(c)(1). Id. at 7.

Florida distorts the state court decision and one of the two federal district court decisions. Indeed, like ATU v. Donovan, the state court decision, properly read, is directly at odds with Florida's position that § 13(c)(2) is "hopelessly ambiguous."

To be sure, Florida is correct that in the cited federal district court decision out of California, the district court held that § 13(c)(2) is "ambiguous," such that it reasonably can be interpreted as conditioning federal transit funding on a State refraining from taking the drastic step of "ending" the process of collective bargaining between public transit bodies and public transit unions altogether, or the less drastic step of modifying (or "reform[ing]" as Florida would have it) that process in a manner that "diminish[es]" rather than extinguishes the collective bargaining rights of public transit employees. See Fl. SJ Mot. at 10, 11-12. But Florida fails to disclose that this decision currently is being challenged in the Ninth Circuit in separate consolidated appeals brought by ATU and the DOL. See 9th Cir. Appeal Nos. 23-15503 & 23-15617.³ And under the analysis of § 13(c)(2)'s text and legislative history set out in detail in ATU's opening appellate brief, see Appeal No. 23-15503, ECF No. 10 at 23-53, and in abbreviated summary form infra pp. 14-17, the California district court's "ambiguity" finding is plainly wrong and cannot stand. That is so because § 13(c)(2)'s text and legislative history firmly establish without any ambiguity whatsoever that Congress intended in that provision to condition federal transit funding on the States refraining from *diminishing* the collective bargaining rights of public transit employees in any manner, rather than merely refraining from *extinguishing* those rights altogether.

³ Those consolidated appeals will be fully briefed as of December 18, 2023, and based on court notices recently sent to appellate counsel, oral argument is likely to occur in April of 2024.

In sum, contrary to Florida’s cursory and rather tepid assertion that the Eleventh Circuit’s decision in West Virginia “is instructive,” see Fla. SJ Mot. at 13, the statutory circumstances underlying that decision could not be more different than the statutory circumstances here. Here, there undeniably is an “ascertainab[le] principle” (West Virginia, 59 F.4th at 1141) in § 13(c)(2) for the DOL to apply in approving or disapproving federal transit funding applications—namely, the principle that such approval may *not* lawfully be given if the State enacts a law diminishing the collective bargaining rights of public transit employees in any manner. Conversely, in West Virginia, it is an understatement to say that the statutory condition barring the States from using Rescue Plan funds to either directly or indirectly offset a reduction in their net tax revenues was shrouded in a dense “fog” as the Eleventh Circuit colorfully put it. See id. at 1145. Moreover, the Eleventh Circuit made much of the fact that this statutory condition impacted “each state’s *entire* budget and every single one of its taxes,” see id. at 1145, whereas § 13(c)(2)’s scope is far less sweeping.

Florida also asserts the backup claim that the DOL’s so-called “ultimatum” to the State is “contrary to law” under the Administrative Procedure Act (“APA”) because even if § 13(c)(2) embodies the ascertainable principle that the DOL may not approve a federal funding application if a state law diminishes the collective bargaining rights of public transit employees in any manner, “SB 256 does not even *diminish* collective bargaining rights” in violation of that principle. See Fla. SJ Mot. at 15. But as we develop more fully in Argument Section II below, Florida’s APA claim fares no better than its constitutional claim. SB 256’s prohibition on dues-checkoff undeniably diminishes a collective bargaining right in violation of § 13(c)(2)’s condition on federal transit funding on a straightforward application of the D.C. Circuit’s

decision in ATU v. Donovan, and SB 256’s annual renewal-and-recertification process does likewise on a similar legal analysis.

BACKGROUND

1. Statutory Background

The public transit employees that the Proposed Intervenors represent are afforded specific legal rights and protections under a provision in a federal Spending Clause statute that is commonly referred to in the caselaw as § 13(c), and that is codified as amended at 49 U.S.C. § 5333(b). Section 13(c), aptly titled “**Employee protective arrangements**,” begins by stating that “as a condition of financial [transit] assistance” to state and local transit bodies, “the interests of [public transit] employees affected by the assistance *shall be protected* under arrangements the Secretary of Labor concludes are fair and equitable.” (Emphasis added). Section 13(c) goes on to state that “[t]he agreement granting the assistance . . . shall specify the arrangements,” and that those arrangements “*shall include* provisions that may be necessary for” protecting six separately-enumerated-by-subsection employee rights and interests. (Emphasis added). As relevant here, the protected employee rights and interests enumerated in § 13(c) include “the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements or otherwise,” § 13(c)(1), and “the continuation of collective bargaining rights,” § 13(c)(2).⁴

⁴ The decades long history of employee protections for transportation workers is set forth in detail in New York Dock Ry. v. United States, 609 F.2d 83 (2d Cir. 1979). The basic elements of those protections were developed by the Interstate Commerce Commission (“ICC”) for application in railroad transactions pursuant to the Transportation Act of 1940. Id. at 86-88. Section 13(c) of the Urban Mass Transportation Act of 1964 (“UMTA”) required that the protections for transit workers be no less than those developed by the ICC, and added the §§ 13(c)(1)-(2) requirements (stated in text) for the preservation of rights, privileges and benefits under existing collective bargaining agreements and for the continuation of collective bargaining rights because many transit workers would be transitioning from jobs covered by the National

On its face, § 13(c) contemplates that, in the normal course, state and local transit bodies applying for federal transit funding and the public transit unions (including ATU and TWU) that represent those transit bodies' employees for collective bargaining purposes will negotiate and consummate what are known as "§ 13(c) agreements" affording covered transit employees the protections to which they are entitled under § 13(c) as a condition for federal funding. See generally Jackson Transit Auth. v. Loc. Div. 1285, ATU, 457 U.S. 15, 18-29 (1982). It also contemplates that if the bargaining parties succeed in consummating a § 13(c) agreement satisfying each of the statute's employee-protective conditions, the DOL will issue a certification of compliance allowing the desired federal funding to flow. Id. at 18-19. On occasions that have proven rare, however, a state legislature with plenary authority over the conduct of the public transit bodies operating within its borders will pass a law that, in the affected transit unions' view, denies the public transit bodies applying for federal funding the ability to provide the affected transit employees the full measure of protections to which they are entitled under § 13(c). In such a case, the affected unions have the right to object to the issuance of a DOL certification of compliance with § 13(c)'s employee-protective conditions, and if the DOL finds those objections sufficient, it will *deny* the funding application *unless* the state takes remedial

Labor Relations Act to jobs covered by state and local labor relations laws. ATU v. Donovan, supra, 767 F.2d at 940-42. Those additional §§ 13(c)(1)-(2) requirements were later mandated for the protective conditions imposed when Amtrak was created in the Rail Passenger Service Act ("RPSA"). New York Dock Ry., 609 F.2d at 89. In 1976, Congress amended the Interstate Commerce Act to require conditions that are no less protective of workers than those previously imposed by the ICC, and those required by the RPSA. Id. at 90. When Congress reenacted the UMTA in 1991 as the Federal Transit Act, Pub. Law 102-240, it left § 13(c)'s requirements intact and recodified § 13(c) at 49 U.S.C. § 5333(b). Finally, in 2005, Congress added subsections (4) and (5) to 49 U.S.C. § 5333(b) concerning certain types of projects, while again leaving § 13(c)'s requirements intact. Pub. Law 109-59.

measures to address the unions' objections. These measures would include waiving the offending provisions of the state law, as provided for in SB 256. See Fla. Stat. § 447.207(12).

2. The Instant Dispute

This lawsuit arises out of Florida's enactment of SB 256 and the actions and positions subsequently taken by the DOL and the Florida Public Employee Relations Commission ("PERC") based on that enactment.

As outlined in Florida's Complaint and its summary judgment motion, SB 256 makes several modifications to the collective bargaining process governing the relationship between public sector employers and public sector unions in Florida, including public sector *transit* unions but excluding (for the most part) the various other public sector unions identified above. These modifications include: (i) a prohibition on dues check-off provisions in collective bargaining agreements, under which public sector employers can agree to deduct union dues and uniform assessments from the salaries of the public sector employees covered by those agreements upon each individual employee's express written authorization of such deductions, see Fla. Stat. § 447.303(1); and (ii) a byzantine annual renewal-and-recertification application process under which a covered public sector union may have its certifications revoked for an inaccuracy in its application and, moreover, must petition PERC for a "recertification" of its right to continue as the lawful exclusive bargaining representative of the employees it currently represents if the union is unable to show that a supermajority (60%) of those employees are dues-paying members of the union, see Fla. Stat. § 447.305.

The instant matter came to a head based on events occurring between July and September of this year. On August 4, the DOL wrote a letter to a Florida grant applicant (Broward County) reaffirming and further explaining its previously-stated public position that the foregoing

modifications in the collective bargaining process diminished the collective bargaining rights of union-represented transit employees, thereby precluding the DOL from certifying compliance with § 13(c)(2)'s continuation-of-collective-bargaining-rights condition absent a waiver of those rights-diminishing modifications that extended beyond the strict time limits of prior waivers that had been granted by PERC. See ECF No. 1-3. As previously noted, SB 256 expressly authorizes PERC to “waive” the statute’s rights-diminishing provisions “to the extent necessary for the public employer to comply with the requirements of [§ 13(c)].” See Fla. Stat. § 447.207(12). DOL had sent a similar letter to Miami-Dade County on July 19.

On August 31, PERC issued a decision involving the Broward County funding application in which it questioned the DOL’s interpretation of § 13(c)(2) but nevertheless granted a non-time-limited extended waiver to Broward County, citing the “financial hardship” that Broward County and other Florida transit bodies would otherwise suffer “given DOL’s refusal to certify various pending federal grants absent an extended waiver.” See ECF No. 1-4 at Page 12. Importantly, PERC declared that this non-time-limited extended waiver “shall immediately expire upon any final decision of DOL or a court of competent jurisdiction declaring that the above-stated [SB 256 rights-diminishing] provisions do not violate the protections imposed by [§ 13(c)], or if Congress changes the effect of that law.” Id. at Page 13. PERC made a similar determination with respect to Miami-Dade County on September 29, and has granted conditional waivers to other Florida transit bodies as well. See Fla. SJ Mot. at 8.

As foreshadowed by PERC’s decisions, see ECF No. 1-4 at Page 13 n.6, Florida brought this lawsuit seeking to enjoin the DOL from adhering to and acting on the position taken in its letters to Broward and Miami-Dade Counties. As set out above, Florida claims that the DOL’s

position is “unlawful” primarily on constitutional grounds, but also on APA grounds. We address both claims below and show that neither has a stitch of legal merit.

ARGUMENT

I. FLORIDA’S CONSTITUTIONAL CLAIM FAILS AS A MATTER OF LAW

In the West Virginia case, the Eleventh Circuit explained that a condition on federal funding imposed by a federal Spending Clause statute is unconstitutional if that condition is so ambiguous that the State “is unable to ascertain what is expected of it,” and the West Virginia court dubbed this the “ascertainability principle” for short. See 59 F.4th at 1140-41 (cleaned up). According to Florida, § 13(c)(2) violates this “ascertainability principle” and is unconstitutional because § 13(c)(2) is so “hopelessly ambiguous,” Fla. SJ Mot. at 10, that it is impossible to ascertain what that provision requires the States to do (and refrain from doing) to secure federal transit funding. Florida could not be more wrong.

Florida’s constitutional claim is breathtaking, given that § 13(c)(2) was enacted *in 1964* and reenacted *in 1991* and has never been challenged on this basis. In advancing such a breathtaking claim based on an assertion of hopeless ambiguity, one might reasonably expect a plaintiff to engage in a detailed analysis of the statute’s text and its legislative history. But Florida does nothing of the kind in its summary judgment motion. Instead, Florida’s rests its assertion of hopeless ambiguity *entirely* on an abbreviated and largely conclusory discussion of a state court decision and two federal district court decisions that Florida contends conclusively establish the existence of such ambiguity. See id. at 1-2, 10, 11-12. Florida’s exclusive reliance on these three decisions is badly misplaced and unavailing for two separate reasons.

First, while focusing on these three decisions, Florida largely ignores ATU v. Donovan, supra, which is the only federal appellate court decision on the books dealing with the proper

interpretation and application of § 13(c)(2). And, to the limited extent Florida treats with ATU v. Donovan, its treatment is so distorted and incomplete as to appear purposely calculated to obscure that appellate decision's damaging (if not fatal) impact on Florida's constitutional claim.

In its first mention of ATU v. Donovan, Florida points to the Reagan Administration DOL's *argument* in ATU v. Donovan that § 13(c)'s "fair and equitable" language confers such broad discretion on the DOL and is so imprecise that the DOL's decision whether to approve/certify a federal transit funding application is not subject to judicial review. See Fl. SJ Mot. at 11 (citing 767 F.2d at 944). But Florida fails to acknowledge the fact that the ATU v. Donovan court *squarely rejected this argument*, concluding that § 13(c)'s "express requirements"—including § 13(c)(2)—were mandatory, *not* discretionary, and that they provide "*clear guidelines*" for determining whether DOL approval/certification of a federal transit funding application may lawfully be given. See 767 F.2d at 945-46 (emphasis added). Accordingly, the requirements of §§ 13(c)(1)-(6), now codified at §§ 5333(b)(2)(A)-(F), which Florida's proposed order bafflingly seeks to enjoin the enforcement of *in toto*, have been found by the ATU v. Donovan court to serve as exactly the guidelines which make the requirements of § 13(c) "ascertainable."

In its only other mention of ATU v. Donovan, Florida asserts that ATU v. Donovan stands for the proposition that § 13(c)(2) "lacks clarity" because the phrase "collective bargaining" as used therein "is susceptible to multiple interpretations." See Fl. SJ Mot. at 12. This is another outright distortion of the D.C. Circuit's decision. In reality, what the D.C. Circuit had to say on this subject was as follows: (a) in enacting § 13(c) in 1964, Congress "incorporat[ed] within the statute the *commonly understood* meaning of 'collective bargaining'," which was "*universally understood* to require" good faith negotiations, to a point of impasse if necessary, over a broad

range of issues (including, e.g., wages and hours) commonly referred to as “mandatory” subjects of bargaining; (b) “[t]hese precepts have long been the bedrock of collective bargaining in the federally-regulated private sector”; and (c) “[likewise], the foregoing principles have provided the common denominator of the public sector collective bargaining schemes enacted by the states” as well (including Florida). See 767 F.2d at 949 & n.10 (emphasis added). In short, in this second respect as well, ATU v. Donovan is directly at odds with the position underlying Florida’s claim that § 13(c)(2) is unconstitutional under the Spending Clause.⁵

Second, Florida’s cited state court decision and two federal district court decisions get the State nowhere even taken in isolation. As it does regarding ATU v. Donovan, Florida distorts the cited state court decision and one of the two federal district court decisions. Indeed, like ATU v. Donovan, the state court decision, properly read, is directly at odds with Florida’s position that § 13(c)(2) is “hopelessly ambiguous,” so we start there.

The issue presented in that state court case was whether in enacting a statute “for the purpose of converting New Jersey’s mass-transit system from one of private enterprise to one owned and operated by the State,” the New Jersey Legislature had intended to preserve the collective bargaining rights of those private sector transit employees who were on account of that conversion set to become public sector transit employees—including, as most relevant here, the right to bargain collectively over the “mandatory” subject of dues-checkoff. See Matter of New Jersey Transit Bus Operations, 592 A.2d 547, 548, 554 (N.J. 1991). In answering this question in the affirmative, the New Jersey Supreme Court found that the apparent “congressional intent” and “goal” behind § 13(c) was to require the States “to preserve the collective bargaining rights

⁵ As we show infra p. 18, ATU v. Donovan also is directly at odds with Florida’s position that SB 256’s prohibition on dues-checkoff does not diminish collective bargaining rights in violation of § 13(c)(2)’s condition on federal transit funding.

of these [previously private and now public] employees” as a condition for federal funding, *id.* at 555, and that the New Jersey legislators’ “cognizance” of that condition on federal funding “indicates that they must have been aware of the need to protect the prior labor relation rights of these employees and that they obviously had this in mind when they passed the Act,” *id.* at 559. These judicial findings are flatly inconsistent with the notion that § 13(c) is “hopelessly ambiguous,” and certainly in no way supportive of that notion.

In arguing otherwise, Florida’s seizes on language in the New Jersey Supreme Court’s decision which Florida describes as “lament[ing]” the perceived lack of guidance in § 13(c)’s legislative history (and in other sources) regarding “precisely at what point” a particular state law runs afoul of § 13(c)’s general requirement that collective bargaining rights be preserved as a condition for federal funding. *See* Fl. SJ Mot. at 10, 13. We respectfully submit that any such “lament” is wholly unwarranted, especially when it comes to § 13(c)’s especially clear and illuminating legislative history. *See infra* pp. 16-17. But even if not, the West Virginia decision invoked by Florida makes it abundantly clear that a Spending Clause condition on federal funding stated in general terms is perfectly constitutional “even if it [does] not ‘specifically identify and proscribe in advance every conceivable state action that would be improper.’” 59 F.4th at 1142 (quoting Benning v. Georgia, 391 F.3d 1299, 1306 (11th Cir. 2004)).

As for the cited federal district court decision in City of Macon v. Marshall, 439 F. Supp. 1209 (M.D. Ga. 1977), *see* Fl. SJ Mot. at 10, we confess to great difficulty in parsing the court’s opinion. But we can say with certainty that there is nothing in that opinion remotely to support Florida’s bald assertion that the court rested its holding of non-reviewability on the proposition that § 13(c)(2) is “hopelessly ambiguous” or “devoid of” ascertainable “content.” In any event, that proposition flies in the face of reality and the appellate decision in ATU v. Donovan.

To be sure, Florida is correct that in the cited federal district court decision out of California, the district court held that § 13(c)(2) is “ambiguous,” such that it reasonably can be interpreted as conditioning federal transit funding on a State refraining from taking the drastic step of “ending” the process of collective bargaining between public transit bodies and public transit unions altogether, or the less drastic step of modifying that process in a manner that “diminish[es]” rather than extinguishes the collective bargaining rights of public transit employees. See Fl. SJ Mot. at 10, 11-12. But as previously noted, ATU and the DOL have appealed that recent decision to the Ninth Circuit. And under the analysis of § 13(c)(2)’s text and legislative history set out in detail in ATU’s opening brief on appeal, see Appeal No. 23-15503, ECF No. 10 at 23-53, the district court’s ambiguity finding is plainly wrong and cannot stand.

Because page limitations preclude us from replicating this detailed appellate showing in this submission, we endeavor as best we can to distill its essence below.⁶

As Florida correctly observes, see Fla. SJ Mot. at 11, the California district court rested its ambiguity finding almost entirely on the 1964 Congress’ use of the word “continuation” in § 13(c)(2). But that near singular focus on the word “continuation” impermissibly ignores the historical context in which § 13(c)(2) was enacted. See United States v. Hansen, 143 S.Ct. 1932, 1942 (2023) (“When words have several plausible definitions, context differentiates among them.”). As the Supreme Court made clear in Jackson Transit, supra, § 13(c)’s animating historical purpose was to “protect” and “preserv[e]” the “collective-bargaining rights” (plural) of unionized transit employees as a condition for providing federal transit funding to state and local

⁶ For the Court’s convenience, however, we do include as an Exhibit to this submission the Statutory Addendum filed by ATU in the Ninth Circuit, which contains both the full text of § 13(c) and all the legislative history materials referenced in our distillation of ATU’s appellate showing. Citations herein to that Statutory Addendum are identified as “SA ____.”

transit bodies that would otherwise be under no obligation to continue those “collective-bargaining rights.” See 457 U.S. at 17, 27-28. And as the D.C. Circuit’s decision in ATU v. Donovan makes equally clear, the 1964 Congress that enacted § 13(c) had a clear and firm understanding that the term “collective bargaining rights” (plural) as used in § 13(c)(2) entailed *a panoply of rights* to bargain over a broad range of subjects commonly known as “mandatory” subjects of bargaining, see supra pp. 11-12, as distinct from a singular undifferentiated right to engage in “the process” of collective bargaining in some form or another.

Against this historical background—and from a pure textual analysis standpoint that puts § 13(c)(2)’s legislative history aside for the moment—the proper focus in determining the intent behind § 13(c)(2) is the 1964 Congress’ usage of the plural phrase “collective bargaining rights” as that phrase was commonly understood at the time. For that usage clearly and unambiguously bespeaks a congressional intent that state and local transit bodies continue undiminished *the full panoply* of transit employee rights to bargain collectively over *all* “mandatory” subjects of bargaining as a condition for federal transit funding.

Indeed, against this historical background, a reading of § 13(c)(2) under which a State is obligated to do nothing more than refrain from “ending” the process of collective bargaining as a condition for federal transit funding is beyond implausible. Under such a reading, a State would be free to diminish “the collective bargaining rights” (plural) of public transit workers over time in whatever baby steps or giant leaps the State desires, so long as the State put the brakes on at some point before completely extinguishing those rights. That plainly was not the limited scope of Congress’ “**Employee protective**” (section title) intent in enacting § 13(c) generally and § 13(c)(2) in particular. Indeed, if it had been, Congress could have (and most certainly would have) communicated that severe limitation clearly by providing for something quite different like

“the continuation of the process of collective bargaining in some form” or “the continuation of collective bargaining on such terms and conditions as the State shall prescribe.”⁷

In any event, any arguable textual ambiguity on this point is eradicated by § 13(c)(2)’s exceptionally clear and illuminating legislative history. In Jackson Transit and ATU v. Donovan, the Supreme Court and the D.C. Circuit, respectively, recognized that Senator Morse of Oregon was one of the chief architects of § 13(c), and on that basis attached great weight to his comments on the Senate floor in support of that provision. See 457 U.S. at 25-28 & nn.8, 10; 767 F.2d at 946, 948-49. Senator’s Morse’s comments regarding § 13(c)(2)’s purpose and intent could hardly have been any clearer or more illuminating.

Again, page limitations preclude us from reviewing in this space the full sweep of Senator Morse’s comments, all of which were offered in support of an adopted floor amendment to language in a reported committee bill that Senator Morse felt afforded no “real protection to labor” and thus had to be strengthened appreciably. See 109 Cong. Rec. 5675 (SA 12). In introducing that amendment, Senator Morse began by explaining that its purpose and intent was to ensure that federal money was not used to “lessen[],” “weaken,” or “worsen[]” “the collective bargaining rights of existing unions” and the employees they represent. See id. at 5671 (SA 8). In other words, the amendment’s purpose and intent was “to maintain the status quo” insofar as the existing rights of organized labor was concerned. See id. at 5671-72 (SA 8-9). While confessing to arguably unnecessary “constant repetition,” Senator Morse went on to drive home this maintenance-of-the-status-quo point by making the following additional

⁷ More likely, Congress would have adopted rather than *rejected* substitute bills introduced in both the Senate and the House providing for the continuation of collective bargaining rights only to the extent “not inconsistent with State and local laws.” See 109 Cong. Rec. 5680-85 (SA 17-22) (Senate deliberations); 109 Cong. Rec. 14979-80 (SA 42-43) (House deliberations).

comments right before the vote approving his amendment was taken and recorded: “[I]n my judgment, the committee bill did not provide for the status quo of labor relations. If it had provided for the status quo of labor relations, I would not have been offering an amendment”; “What the amendment would do, in spite of all the attacks on it, would be to assure that existing collective bargaining rights would not be taken away from the workers”; “In my judgment, the Senate should, as a matter of public policy, adopt [my] amendment, underwriting the basic principle that the Senate does not propose to take away from labor, in the mass transit bill, hard-earned collective bargaining rights achieved over the years.” See id. at 5675-77 (SA 12-14).

In sum, contrary to Florida’s cursory and rather tepid assertion that the Eleventh Circuit’s decision in West Virginia “is instructive,” see Fla. SJ Mot. at 13, the statutory circumstances underlying that decision could not be more different than the statutory circumstances here. Here, there undeniably is an “ascertainab[le] principle” (West Virginia, 59 F.4th at 1141) in § 13(c)(2) for the DOL to apply in approving or disapproving federal transit funding applications—namely, the principle that such approval may *not* lawfully be given if the State enacts a law diminishing the collective bargaining rights of public transit employees in any manner. Conversely, in West Virginia, it is an understatement to say that the statutory condition barring the States from using Rescue Plan funds to either directly or indirectly offset a reduction in their net tax revenues was shrouded in a dense “fog” as the Eleventh Circuit colorfully put it, see id. at 1145—a point driven home by the fact that the Treasury Department felt the need to issue an interim final rule aimed at clarifying this statutory condition that spanned 72 pages and included 186 footnotes, see id. at 1133 (citing 86 Fed. Reg. 26786). Moreover, the Eleventh Circuit made much of the fact that this statutory condition impacted “each state’s *entire* budget and every single one of its taxes,” see id. at 1145, whereas § 13(c)(2)’s scope is far less sweeping.

II. FLORIDA’S APA CLAIM ALSO FAILS AS A MATTER OF LAW

Oddly, Florida begins Argument Section I.B. of its summary judgment motion by regurgitating its constitutional claim, see Fla. SJ Mot. at 14-15, before pivoting abruptly and asserting a *one paragraph* back-up APA claim introduced by the word “Moreover.” That back-up APA claim is that the DOL’s so-called “ultimatum” to the State is “contrary to law” because even if § 13(c)(2) embodies the ascertainable principle that the DOL may not approve a federal funding application if a state law diminishes the collective bargaining rights of public transit employees in any manner, “SB 256 does not even *diminish* collective bargaining rights” in violation of that principle. See id. at 15. This back-up claim is wholly without merit.

As for SB 256’s prohibition on dues-checkoff, see supra p. 8, it is undeniable that the term “collective bargaining rights” as used in § 13(c)(2) includes the right to bargain collectively over dues-checkoff (i.e., that dues-checkoff is a “mandatory” subject of bargaining). The federal labor law in effect at the time of § 13(c)(2)’s enactment in 1964 was clear on this point, see Bethlehem Steel Co., 136 NLRB 1500, 1501-02 (1962); and the Fifth Circuit has so held in a trio of decisions that are binding in the Eleventh Circuit under Bonner v. City of Prichard, 661 F.2d 1206, 1207 (11th Cir. 1981) (en banc). See Sweeney & Co. v. NLRB, 437 F.2d 1127, 1134-35 (5th Cir. 1971); NLRB v. J.P. Stevens & Co., 538 F.2d 1152, 1165 (5th Cir. 1976); Axelson, Inc. v. NLRB, 599 F.2d 91, 94 (5th Cir. 1979). Accordingly, SB 256’s prohibition on dues-checkoff undeniably diminishes a collective bargaining right in violation of § 13(c)(2)’s condition on federal transit funding on a straightforward application of the D.C. Circuit’s decision in ATU v. Donovan, 767 F.2d at 948-53.

A similar legal analysis applies to SB 256’s byzantine annual renewal-and-recertification process summarized supra p. 8. Under federal labor law in effect at the time of § 13(c)(2)’s

enactment in 1964 (and still in effect today), when a majority of employees in an appropriate bargaining “unit” have “designated or selected” a union as their exclusive representative “for the purposes of collective bargaining,” that employee unit has *a continuing right to such collective-bargaining representation* without that employee unit and its chosen union being put to the considerable burden and expense of having to reaffirm or reprove the union’s continued majority status on a recurring basis through some form of renewal-and-recertification process, see 29 U.S.C. § 159—much less through an annual renewal-and-recertification process that may require the employee unit’s chosen union to petition repeatedly for recertification “without regard to the existence of any evidence that the union has lost its majority status,” see ECF No. 1-3 at Page 5 (DOL letter to Broward County). Accordingly, although neither ATU v. Donovan nor any other § 13(c) case is directly-on-point in this regard, SB 256’s annual renewal-and-recertification process undeniably diminishes a collective bargaining right in violation of § 13(c)(2)’s condition on federal transit funding as well.

In arguing otherwise, Florida blithely asserts that both of these putative “reforms” in the collective bargaining process “impose[] at most only de minimis burdens on employees.” Fla. SJ Mot. at 15. That assertion is dubious at best,⁸ but has no legal relevance. Section 13(c)(2) provides in absolute, unqualified terms for “the continuation of collective bargaining rights” as a condition for federal transit funding; and in line with that statutory text, § 13(c)(2)’s legislative history manifests a clear congressional intent that to qualify for such funding, state and local transit bodies are required “to maintain the status quo” insofar as the existing collective

⁸ See Loc. Jt. Exec. Bd. of Las Vegas v. NLRB, 657 F.3d 865, 875 (9th Cir. 2011) (explaining that in a so-called “right-to-work state,” which Florida is, “dues are deducted from an employee’s paycheck only if the employee specifically requests the employer to do so. Dues-checkoff is thus not a benefit to the union forced upon employees, but rather is a benefit to those employees who choose to be part of the union and also choose a checkoff.”).

bargaining rights of public transit employees are concerned. Section 13(c)(2)'s text and legislative history thus belie any argument that a state law passes muster under § 13(c)(2) because in the State's view it diminishes transit employee bargaining rights only a little bit.

CONCLUSION

For the foregoing reasons, Florida's summary judgment motion should be denied, and the Proposed Intervenors' tendered cross-motion to dismiss should be accepted and granted.

Respectfully submitted,

s/ Richard P. Siwica
Richard P. Siwica, Esq. (FBN 377241)
EGAN, LEV & SIWICA, P.A.
231 E. Colonial Drive
Orlando, FL 32801
Telephone: (407) 422-1400
Facsimile: (407) 422-3658
Email: rsiwica@eganlev.com

Andrew D. Roth* (DCBN 414038)
BREDHOFF & KAISER P.L.L.C.
805 15th Street, N.W. Suite 1000
Washington, D.C. 20005
Telephone: (202) 842-2600
Facsimile: (202) 842-1888
Email: aroth@bredhoff.com

Attorneys for ATU

*Motions to Appear Pro Hac Vice pending

s/ Mark H. Richard
Mark H. Richard (FBN 305979)
PHILLIPS, RICHARD & RIND, P.A.
9360 S.W. 72nd Street, Suite 283
Miami, FL 33173
Telephone: (305) 412-8322
Facsimile: (305) 412-8299
Email: mrichard@phillipsrichard.com

Richard S. Edelman* (DCBN 416348)
MOONEY, GREEN, SAINDON, MURPHY &
WELCH
1920 L Street, N.W., Suite 400
Washington, D.C. 20036
Telephone: (202) 783-0010
Facsimile: (202) 783-6088
Email: redelman@mooneygreen.com

Attorneys for TWU

CERTIFICATE OF SERVICE

I certify that on December 18, 2023, a true and correct copy of the foregoing was filed with the Court's CM/ECF system, which will provide service to all parties.

s/ Richard Siwica

Richard Siwica

Exhibit

No. 23-15503

**IN THE UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT**

AMALGAMATED TRANSIT UNION INTERNATIONAL, et al.,

Plaintiffs - Appellants,

v.

U. S. DEPARTMENT OF LABOR, et al.,

Defendants,

and

STATE OF CALIFORNIA,

Defendant-Intervenor - Appellee.

On Appeal from the United States District Court
for the Eastern District of California
No. 2:20-CV-00953-KJM-DB

STATUTORY ADDENDUM

ANDREW D. ROTH
Bredhoff & Kaiser, P.L.L.C.
805 15th Street, N.W., Suite 1000
Washington, D.C. 20005
Telephone: (202) 842-2600
Email: aroth@bredhoff.com

Attorney for Appellants

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49 U.S.C. § 5333 (West) (eff. Oct. 1, 2012)

Labor standards

(b) Employee protective arrangements.--(1) As a condition of financial assistance under sections 5307-5312, 5316, 5318, 5323(a)(1), 5323(b), 5323(d), 5328, 5337, and 5338(b) of this title, the interests of employees affected by the assistance shall be protected under arrangements the Secretary of Labor concludes are fair and equitable. The agreement granting the assistance under sections 5307-5312, 5316, 5318, 5323(a)(1), 5323(b), 5323(d), 5328, 5337, and 5338(b) shall specify the arrangements.

(2) Arrangements under this subsection shall include provisions that may be necessary for--

(A) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements or otherwise;

(B) the continuation of collective bargaining rights;

(C) the protection of individual employees against a worsening of their positions related to employment;

(D) assurances of employment to employees of acquired public transportation systems;

(E) assurances of priority of reemployment of employees whose employment is ended or who are laid off; and

(F) paid training or retraining programs.

On page 16, line 10, to strike out "third" and insert in lieu thereof "half".

On page 18, line 10, to strike out "one-half" and insert in lieu thereof "one-third".

Mr. TOWER. Mr. President, I ask unanimous consent that debate on these amendments be limited to 10 minutes, 5 minutes to a side, 5 minutes to be controlled by the Senator handling the bill [Mr. SPARKMAN] and 5 minutes by myself.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. TOWER. Mr. President, I ask for the yeas and nays on my amendments. The yeas and nays were ordered.

Mr. President—

Mr. MANSFIELD. Mr. President, will the Senator yield briefly to me?

Mr. TOWER. I yield to the Senator from Montana.

Mr. MANSFIELD. I wish to make a brief announcement. For the information of Senators, I reiterate that the vote on the Tower amendment will be the last vote today.

Mr. TOWER. Mr. President, I am delighted to note that the pending bill has now been reduced from a \$1 billion bill to a three-quarter billion dollar bill. However, I associate myself with the distinguished minority leader who said that this is far from enough.

In light of this circumstance, since we have reduced the total authorization, I believe there should be a reduction of the Federal participation. My amendment would reduce that Federal participation.

I believe we should reduce the Federal participation in the grant program from two-thirds of the net project cost to one-half of the net project cost, and in the emergency program from one-half of the project cost to one-third of the project cost.

The net project cost is arrived at by figuring the total cost of the project and then deducting the amount expected to be applied on the amortization of the project cost by farebox and other revenues.

If farebox revenues in some situations go merely to pay the operating cost, there are no farebox revenues remaining to apply to the net project cost, and it could result in two-thirds of the total project cost being paid.

Therefore, I believe it is proper to reduce the Federal participation to one-half of the net project cost. For one thing, I believe it would provide a greater incentive to local communities to exercise their own initiative and responsibility in raising the money. I therefore urge the adoption of my amendment.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. SALTONSTALL. As I understand, the purpose of the amendment is to stimulate the initiative of the local people in their own projects and to persuade them to do something to reduce their reliance on Washington. Is that correct?

Mr. TOWER. I thank the Senator for his statement. He has stated exactly

the purpose of my amendment; namely, to stimulate local initiative.

Mr. SPARKMAN. Mr. President, I believe just as strongly as do the Senator from Texas and the Senator from Massachusetts in stimulating local interest and initiative. I believe that the formula under which this bill is drafted will do just that. I admit that 50-50 sounds good, and it is good. However, I call attention to the fact that ever since 1949 we have been operating in urban renewal and slum clearance programs under this same formula. There are a great many local costs that a locality must figure on meeting, and which are not deducted when they come to figuring the net project cost. We have learned from experience in urban renewal that under the two-thirds formula, when all accounts are settled, it is approximately 50 percent; it breaks just about half and half. We have had testimony many times in our committee in which the representatives of the cities told us about the large part of the total cost borne by the cities.

This formula has worked well in urban renewal. It has been well tested over the 13 years it has been operating. We merely propose to apply here to another similar program. The formula is not two-thirds of the gross cost. It is two-thirds of the net project cost. The city makes an estimate of the income from the farebox, and after the operating expenses have been computed, the net project cost is arrived at, and that cost is then divided, two-thirds Federal and one-third local. As I say, many local costs are not taken into consideration in the net project cost.

Mr. TOWER. The net project cost might prove to be the total cost. All we are doing is anticipating the part of the total project cost which would be amortized by revenues. It is possible that there would not be sufficient revenues to amortize that portion of the total cost; therefore the project cost and the total cost might in some instances be the same figure.

I yield back the remainder of my time.

Mr. SPARKMAN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on the amendment offered by the Senator from Texas [Mr. TOWER]. The yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Indiana [Mr. HARTKE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Washington [Mr. MAGNUSON], the Senator from Utah [Mr. MOSS], the Senator from Florida [Mr. SMATHERS], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER] would vote "nay."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Iowa [Mr. MILLER], and the Senator from North Dakota [Mr. YOUNG] are detained on official business.

If present and voting, the Senator from Utah [Mr. BENNETT] and the Senator from Iowa [Mr. MILLER] would each vote "yea."

The result was announced—yeas 44, nays 47, as follows:

[No. 37 Leg.]

YEAS—44

Aiken	Fong	Mundt
Allott	Fulbright	Pearson
Boggs	Goldwater	Prouty
Byrd, Va.	Hickenlooper	Proxmire
Byrd, W. Va.	Hill	Robertson
Carlson	Holland	Russell
Church	Hruska	Saltonstall
Cooper	Jordan, Idaho	Simpson
Cotton	Jordan, N.C.	Smith
Curtis	Kuchel	Stennis
Dirksen	Lausche	Talmadge
Dominick	Long, La.	Thurmond
Eastland	McClellan	Tower
Ellender	McCham	Williams, Del.
Ervin	Morton	

NAYS—47

Anderson	Hart	Metcalf
Bartlett	Hayden	Monroney
Bayh	Humphrey	Morse
Beall	Inouye	Muskie
Bible	Jackson	Nelson
Brewster	Javits	Neuberger
Burdick	Johnston	Pastore
Cannon	Keating	Pell
Case	Kennedy	Randolph
Clark	Long, Mo.	Ribicoff
Dodd	Mansfield	Scott
Douglas	McCarthy	Sparkman
Edmondson	McGee	Symington
Engle	McGovern	Williams, N.J.
Gore	McIntyre	Young, Ohio
Gruening	McNamara	

NOT VOTING—9

Bennett	Magnuson	Smathers
Hartke	Miller	Yarborough
Kefauver	Moss	Young, N. Dak.

So Mr. TOWER's amendment was rejected.

Mr. MORSE. Mr. President, I send to the desk an amendment which I ask to have printed. I understand that it will be taken up tomorrow morning at 11 o'clock.

The PRESIDING OFFICER. Without objection, the amendment will be printed.

The amendment is as follows:

On page 4 beginning with line 22, strike out all through line 14 on page 5, and insert the following:

"(b) (1) No financial assistance shall be made available under this Act to any State or local public body or agency thereof for the purpose, directly, or indirectly, of acquiring any interest in, or purchasing any facilities or other property of a private mass transportation company, or for the purpose of constructing, improving, or reconstructing any facilities or other property acquired, after the effective date of this Act, from any such company; unless (A) such company has, prior to such acquisition, been declared bankrupt or placed into receivership by a court of competent jurisdiction, or (B) the Administrator finds that such assistance is essential to a program, proposed or under active preparation, for the acquisition of mass transportation facilities or property which are supplementary to the service provided by an existing publicly owned or operated mass transportation system, and (C) in either situation under A or B, the Administrator and the Secretary of Labor, acting jointly in accordance with the provisions of section 19(c) of this Act, find that the project to be assisted complies with the requirements set forth therein.

"(b) (2) No financial assistance shall be made available under this act to any State or local public body or agency thereof for the purpose of providing by contract or otherwise for the operation of mass trans-

portation facilities or equipment in competition with, or supplementary to, the service provided by an existing mass transportation company unless (A) the Administrator finds that such assistance is essential to a program, proposed or under active preparation, for a unified or officially coordinated urban transportation system as part of the comprehensively planned development of the urban area, (B) the Administrator finds that such program, to the maximum extent feasible, provides for the participation of private mass transportation companies, and (C) the Administrator and the Secretary of Labor, acting jointly in accordance with the provisions of section 19(c) of this Act, find that such program complies with the requirements set forth therein."

On page 26, strike out lines 6 through 23 and insert the following:

"(c) It shall be a condition of the granting of any assistance or the financing of any project under this Act that fair and equitable arrangements are made, as determined jointly by the Administrator and the Secretary of Labor, to protect the interests of employees affected by such assistance or financing. Such protective arrangements shall include, without being limited to, such provisions as may be necessary for (1) the preservation of rights, privileges, and benefits (including the continuation of pension rights and benefits of all beneficiaries) under existing collective bargaining agreements or otherwise; (2) the continuation of collective bargaining in any situation where it now exists; (3) the protection of individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to the provisions of section 5(2)(f) of the Interstate Commerce Act; (4) assurances of employment to employees of acquired mass transportation systems by the acquiring or operating entities, and priority of employment or reemployment of employees terminated or laid off; and (5) paid training or retraining programs. The contract for the granting of any such assistance shall specify the terms and conditions of such protective arrangements."

Mr. RIBICOFF. Mr. President, I send to the desk an amendment to the amendment offered by the Senator from Oregon. I ask unanimous consent that my amendment may be printed in the RECORD.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table; and without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

Amend the proposed amendment offered by Senator MORSE by striking "company," at the end of subparagraph (b) (1) and inserting in lieu thereof the following: "company; unless such company has, prior to the acquisition, been adjudged bankrupt or placed into receivership by a court of competent jurisdiction."

Mr. SPARKMAN. Mr. President, how much time remains available on the bill?

The PRESIDING OFFICER. The Senator from Alabama has 109 minutes remaining; the minority leader has 94 minutes remaining.

Mr. SPARKMAN. I thank the Chair.

INCORPORATION OF THE ELEANOR ROOSEVELT MEMORIAL FOUNDATION, INC.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the pending

business be temporarily set aside so that the Senate may proceed to the consideration of a measure of some urgency, which will take but a moment. The time which is under control on the mass transit bill will not be affected.

I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 87, H.R. 4715.

The PRESIDING OFFICER. Without objection, the pending business will be temporarily laid aside. Calendar No. 87, H.R. 4715, will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 4715) to incorporate the Eleanor Roosevelt Memorial Foundation, Inc.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments, on page 2, line 23, after the word "Foundation", to strike out the comma and "Incorporated"; on page 3, line 17, after the word "welfare", to strike out "and"; in the same line, after the word "health", to insert a semicolon and "and the furtherance of international good will"; on page 4, after line 8, to strike out:

(5) to solicit, prior to January 1, 1965, and to accept, receive, hold, invest, reinvest, and to use, administer, expend and otherwise dispose of, in the sole and absolute discretion of the board of trustees, gifts, legacies, bequests, devices, grants, funds, money and property of every kind and description, and to apply the income and principal thereof exclusively for the purposes of the corporation by such agencies and means as shall, from time to time, be found appropriate therefor, subject, however, to applicable provisions of law of any State (A) governing the amount or kind of property which may be held by, or (B) otherwise limited or controlling the ownership of property by, a corporation operating in such State;

And, in lieu thereof, to insert:

(5) to take by lease, gift, purchase, grant, devise, or bequest from any public body or agency or any private corporation, association, partnership, firm, or individual, and to hold absolutely or in trust for any of the purposes of the corporation any property, real, personal, or mixed, necessary or convenient for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of the law of any State (A) governing the amount or kind of property which may be held by, or (B) otherwise limiting or controlling the ownership of property by, a corporation operating in such State;

And on page 11, line 4, after the word "Foundation", to strike out the comma and "Incorporated".

Mr. HUMPHREY. Mr. President, there are a number of amendments to the bill. All of them are certainly desirable. I ask unanimous consent that the amendments be considered en bloc, since the bill is not controversial. It provides for incorporation of the Eleanor Roosevelt Memorial Foundation.

The PRESIDING OFFICER (Mr. BREWSTER in the chair). Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The amendments were agreed to.

Mr. DIRKSEN. Mr. President, this matter was considered by the Judiciary Committee. The bill has already been passed by the House. Those who are directing the Roosevelt Foundation have suggested various amendments which the committee thinks are desirable and necessary; and the amendments also keep the measure in line as regards the issuance of a Federal charter. Therefore, there is agreement by the committee with the purpose of the charterers.

Therefore the bill comes to us with the agreement of the committee; and I am glad to support the bill.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report on the bill. The excerpt deals with the amendments and with the purpose of the amendments and the purpose of the bill.

There being no objection, the excerpt from the report (No. 105) was ordered to be printed in the RECORD, as follows:

AMENDMENTS

Amendment No. 1: On page 3, line 1, strike the comma and the word "Incorporated".

Amendment No. 2: On page 3, line 18, strike the word "and".

Amendment No. 3: On page 3, line 18, after the word "health" change the period to a semicolon and add the following: "and the furtherance of international good will."

Amendment No. 4: On page 4, commencing on line 9, strike all down to and including the word "State;" on line 22, and insert in lieu thereof the following: "(5) to take by lease, gift, purchase, grant, devise, or bequest from any public body or agency or any private corporation, association, partnership, firm, or individual, and to hold absolutely or in trust for any of the purposes of the corporation any property, real, personal, or mixed, necessary or convenient for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of the law of any State (A) governing the amount or kind of property which may be held by, or (B) otherwise limiting or controlling the ownership of property by, a corporation operating in such State;"

Amendment No. 5: On page 10, line 11, after the word "Foundation" strike the comma and the word "Incorporated".

Amend the title so as to read: "An Act to incorporate the Eleanor Roosevelt Memorial Foundation".

PURPOSE OF AMENDMENTS

The purpose of amendments No. 1 and No. 5 is to remove the word "Incorporated" from the title of the foundation inasmuch as the committee was advised that in the judgment of officials of the Roosevelt Foundation the word "Incorporated" is not appropriate in the name of the foundation.

The purpose of amendments No. 2 and No. 3 is to add to the objects and purposes of the foundation the furtherance of international good will.

The purpose of amendment No. 4 is to conform the section relating to acceptance and disposition of property and realty to the standards in all charter bills.

PURPOSE

The purpose of the proposed legislation, as amended, is to confer a Federal charter on the Eleanor Roosevelt Memorial Foundation.

STATEMENT

The Eleanor Roosevelt Memorial Foundation is to be a charitable and educational foundation. The foundation is to devote itself to continuing certain major interests with which Mrs. Eleanor Roosevelt was deeply

recreation facilities. These users will contribute to the local economy in the form of expenditures for sporting equipment, transportation, lodging, and other items.

The many intangible benefits cannot be assessed in dollars for the worth of the relaxation, pleasure, rest, spiritual satisfaction, and improvement in health derived from the use of the national forests. The accomplishment of work from this camp in timber management, recreation, wildlife, soil and water, fire control, improvements and roads will add much to these values.

EXAMPLE OF EXISTING FACILITIES AND SITUATION FOR A POSSIBLE YOUTH CONSERVATION CORPS CAMP (CAMP B, MIDDLE ATLANTIC STATES)

This camp is located on the southern edge of the Allegheny National Forest and is situated on a level height of land in rolling plateau country with adequate space for softball, volleyball, and tennis. It is screened by planted red pine and cannot be seen from the main road.

The buildings are generally in good condition, having been maintained for use as a summer camp for students of forestry and civil engineering.

There are four barracks, administration building, mess hall, hospital, and a bath and laundry building. Commercial electric power is available. The water system consists of spring water pumped into a stand tank. Sewage is handled by septic tanks and disposal fields.

A careful condition survey of the entire camp estimates a rehabilitation cost for possible Youth Conservation Corps use at \$42,200, or \$180 per enrollee for a 5-year period. This is for a 50-man camp.

The annual camp operating cost would amount to approximately \$3,985 per enrollee for pay, clothing, food, medical care, educational services, transportation to camps and on the job, camp and work supervision, work equipment, and overhead. Dependent on the particular type of project work, the expense per enrollee for materials and equipment used by enrollees on the work project would run as low as \$150 and as high as \$1,000.

A detailed inventory of available work shows a total of 800 man-years of work:

	<i>Man-years</i>
Thinning hardwood stands (14,000 acres).....	180
Pruning 10,000 acres Red Pine.....	125
Planting 10,500 acres.....	126
Construction of two recreation areas.....	104
Miscellaneous wildlife habitat improvements.....	183
Soil and water; roads and trails; administrative improvements, and boundary surveys.....	82
Total.....	800

The work program available at this location can be justified on the basis of economic returns to the area. As an example the thinning of young hardwood timber stands improves growth rate and increases the value of the timber produced. This work can be expected to produce a return in 50 years of twice the cost discounted at 3 percent.

The benefits of reforesting idle land by planting are widely accepted. In this area, planting will yield sufficient return to retire the investment and give additional benefits in improved wildlife habitat and enhanced scenic and recreation values.

Construction of recreation facilities at an estimated cost of \$65,000 during the first year will produce an immediate return to the local economy of \$10,000 per year from increased recreation visits by picnickers and campers. The completion of a second area at a cost of \$160,000 will provide additional facilities for attracting tourists to the area.

This should give a cash increase of \$15,000 to \$18,000 annually to the local economy.

This area is heavily used for hunting and fishing. The planned wildlife habitat and stream improvement will maintain the game and fish populations to meet this heavy pressure and help to stabilize the local income from outside sportsmen.

Mr. HUMPHREY. Mr. President, as the forecast for the Southwestern camp indicates, operating costs for a 5-year period are estimated to be \$2.5 million. However, the funds expended just on cultural treatment and planting of trees during this 5-year period are expected to bring revenues of \$3.5 million within a decade. A similar picture of sound investment exists for the camp in the Middle Atlantic region.

These analyses do not attempt to place a dollar figure on the more intangible returns such as the employment of people in harvesting national forest timber, or the manufacture, distribution, and marketing of these timber products. Similarly, the resulting recreational facilities constructed by the YCC enrollees will contribute to the local economy in both regions. These are not isolated examples. Every YCC camp location would show similar results.

However, I want to emphasize that I primarily support the Youth Conservation Corps on the basis of its potential impact on the lives of thousands of unemployed American youths. What price tag do we place on the opportunity to rescue a young man from a wasted and meaningless life? Here is our opportunity to invest in the human resources of this country.

Those persons who have raised the issue of fiscal responsibility—and I fully support their right and duty to do this—should also include monetary benefits created by the YCC in their calculations. As I have demonstrated, when these income factors are taken into account, the Youth Conservation Corps represents the very essence of fiscal responsibility, that is, a program of investment in income-producing activities that eventually returns the initial operating costs to the people of the United States.

CONCLUSION

Mr. President, this morning I have attempted to outline the reasons why I advocate the Youth Employment Act as a fundamentally sensible attack on the mounting problem of youth unemployment.

This bill will come to the floor in the near future. We will have the opportunity to explore these facts more carefully at that time. I welcome this opportunity, for I devoutly believe that this is a good bill, a bill that will bring new hope and opportunity to many thousands of young Americans currently without hope and opportunity.

In his special message on youth, President Kennedy eloquently described the importance and urgency of this legislation:

This Nation—facing increasingly complex economic, social, and international challenges—is increasingly dependent on the opportunities, capabilities, and vitality of those who are soon to bear its chief responsibilities. Such attributes as energy, a readiness to question, imagination, and creativity are

all attributes of youth that are also essential to our total national character. To the extent that the Nation is called upon to promote and protect the interests of our younger citizens, it is an investment certain to bring a high return, not only in basic human values but in social and economic terms.

In the spirit of the President's remarks, I call for a bipartisan attack on the growing social and economic cancer of youth unemployment. Certainly the problems of young Americans demand of us far more than partisan division for its own sake.

This afternoon I have attempted to clarify the record on several points that have been misunderstood or misinterpreted by certain opponents of this legislation. On the basis of this record I look forward to prompt and favorable action on the Youth Employment Act in both Houses of Congress. We have an opportunity to assist thousands of young Americans find a more productive and secure life. Let us not permit this opportunity to escape us.

Mr. President, I thank my colleagues for their consideration in granting my unanimous-consent requests.

URBAN MASS TRANSPORTATION ACT OF 1963

The Senate resumed the consideration of the bill (S. 6) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Oregon [Mr. MORSE], offered for himself and the Senator from Michigan [Mr. McNAMARA] and the Senator from New Jersey [Mr. WILLIAMS].

Mr. MORSE. Mr. President, amendment No. 30, the Morse-McNamara-Williams amendment, is the pending business. Is that correct? Has it been laid before the Senate?

The PRESIDING OFFICER. It is the pending amendment.

Mr. MORSE. Mr. President, I ask unanimous consent that both the majority and the minority be allowed to have such assistants as are needed from the Committee on Labor and Public Welfare and from other committees of the Senate present on the floor during the discussion of the bill today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Texas.

Mr. TOWER. It is my understanding that, under the controlled time situation, a Senator cannot move to amend the pending amendment until all time for debate on the amendment has expired or has been yielded back. Therefore, I ask unanimous consent that I be allowed to offer, out of order, my amendment to the amendment of the Senator from Oregon. I think it will simplify matters, from the standpoint of debate and discussion, if I may be allowed to

offer my amendment to the amendment of the Senator from Oregon.

The PRESIDING OFFICER. Is there objection?

Mr. MORSE. Mr. President, reserving the right to object, I wish to make a parliamentary inquiry.

What will be the effect of granting the request of the Senator from Texas? Will it displace my amendment for the time being, and thereby prevent explanation and discussion of my amendment?

The PRESIDING OFFICER. It will suspend the consideration of the amendment of the Senator from Oregon. The amendment of the Senator from Texas would have to be acted on before action on the amendment of the Senator from Oregon. It would not take any time out of the time allotted on the amendment of the Senator from Oregon.

Mr. CLARK. Mr. President, will the Senator from Texas yield for a question?

Mr. TOWER. I yield.

Mr. CLARK. Would the Senator mind stating briefly what is the purport of his amendment?

Mr. TOWER. My amendment strikes out the protective arrangements provision of the Morse amendment.

Mr. CLARK. In other words, it leaves in subsection (b)(1) and strikes subsection (b)(2)?

Mr. TOWER. It strikes subsection (c) on page 3 of the amendment, beginning on line 9.

Mr. CLARK. And substitutes nothing?

Mr. TOWER. And substitutes nothing. It will leave the labor provision currently in the bill as it is.

Mr. CLARK. Mr. President, a parliamentary inquiry, and I ask the attention of the Senator from Oregon. Would not the Tower amendment more appropriately be considered entirely independently of the Morse amendment, since it is not a substitute for the Morse amendment? I would question whether the Tower amendment was a substitute for the Morse amendment.

Mr. TOWER. I am afraid I am not competent to answer the technical question as to whether it is a substitute or an amendment to the Morse amendment.

Mr. CLARK. Without regard to technicalities, I think it would be the better part of wisdom to have the Morse amendment explained and voted on, and then take up the Tower amendment later, if the Senator desires that.

Mr. MORSE. I may say to the Senator from Texas that a Senator may act independently on his own responsibility; but I am going to object to the request now. It may be that, after consultation with my colleagues, the Senator can do it later.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. MORSE. Yes.

Mr. TOWER. I do not mind waiting until the Senator has used up or yielded back the time on the Morse amendment before mine is taken up, but I think mine will have to be acted on first, so far as action is concerned, before the Morse amendment is acted on, because if the Morse amendment is adopted and then we take up my amendment, it would

strike the labor provision out of the bill, if it is adopted, and I know the Senator does not want to do that.

Mr. CLARK. I sympathize with the position of the Senator from Texas, having been in the same position many a day, but it seems to me, speaking only for myself, that I would prefer to have the Morse amendment acted on before we deal with the amendment of the Senator from Texas.

Mr. TOWER. Actually, I intend to propose my amendment before the Morse amendment is acted on, but I withdraw my unanimous-consent request.

Mr. CLARK. If it is not a substitute, I doubt that the Senator can do that.

Mr. TOWER. The Parliamentarian says I can.

Mr. MORSE. I hope the Senator from Texas understands my position.

Mr. TOWER. I understand. I thought my suggestion would clarify the situation; instead it has only confused it.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Will the Chair give us an indication as to the parliamentary situation with reference to the amendment of the Senator from Texas to the amendment of the Senator from Oregon?

The PRESIDING OFFICER. The amendment of the Senator from Texas can be offered after the time has expired or been yielded back on the discussion of the Morse amendment and before a vote is taken on the Morse amendment.

Mr. HUMPHREY. I beg the Chair's pardon. Before what?

The PRESIDING OFFICER. Before a vote is taken on the Morse amendment.

Mr. HUMPHREY. In other words, the amendment of the Senator from Texas would be either an amendment to the amendment of the Senator from Oregon or an amendment in the nature of a substitute. Is that correct?

Mr. CLARK. Mr. President, which would it be?

The PRESIDING OFFICER. It is offered in the nature of a perfecting amendment.

Mr. HUMPHREY. A perfecting amendment, and as such will be voted on prior to the vote on the amendment of the Senator from Oregon. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. CLARK. Mr. President, a parliamentary inquiry. Am I to understand that the Chair has ruled that an amendment which strikes the entire text of the Morse amendment is nonetheless a perfecting amendment?

Mr. TOWER. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. TOWER. It does not strike the entire text, only subsection (c), on page 3, beginning on line 9.

Mr. CLARK. Correct me if I am wrong. I may be wrong. I ask the Senator from Oregon to listen. It is my understanding that the Morse amendment proposes to strike out all of subsection (c) and substitute therefor a new amendment which contains two

clauses, (b)(1) and (b)(2). Am I correct?

Mr. TOWER. Yes, I think that is correct.

Mr. CLARK. Now it is proposed, instead of dealing with the Morse amendment at all, that the amendment of the Senator from Texas, which has been ruled by the Chair to be a perfecting amendment, would strike subsection (c). The weird jungle of parliamentary laws is often too much for me, but this is really too rich for my blood.

Mr. TOWER. Actually my amendment would strike out the protective arrangements section of the Morse amendment. It would leave untouched, unscathed, and unhampered the protective arrangements section of the substitute for S. 6 we are now considering.

Mr. CLARK. If the Senator were to prevail, am I correct that we would have untouched subsection (c) of the committee bill, we would have a new section of the first part of the Morse amendment, and the second part of the Morse amendment would be stricken?

Mr. TOWER. That is correct.

Mr. CLARK. I thank the Senator for clearing my rather confused thinking this morning.

Mr. MORSE. Mr. President, I shall use 15 minutes or so for an explanatory statement of the amendment and my position relative thereto. I shall be glad to answer any questions my colleagues may wish to ask at the conclusion of my statement, but I shall not yield during that period of time.

It has been a policy of our American system to attempt to utilize private enterprise to furnish public utility services to the maximum extent possible. Section 3(b)(1) under the amendment would pursue that same policy.

Paragraph 3(b)(2) carries out the basic program under the act, not only of lending an emphasis to continuation of maximum use of private transportation companies, but also keys such use to a planned program for the coordination of the urban transportation system with the overall plan for the development of the urban area.

Paragraph 19(c) concerns the protective arrangements respecting interests of employees affected by the bill. As we know, any legislation which is intended to provide Federal aid for the purpose of strengthening and improving our urban area mass transportation systems must be concerned with another highly important factor, the stability of labor relations. It is a necessary corollary of any such consideration that there be provisions which would safeguard employee rights and promote and maintain the national labor policy with a view toward insuring labor relations stability and promoting employee morale.

The danger in the bill as reported is that it could seriously disrupt collective bargaining, which has had such a long and successful history in the mass transportation field. Accordingly, the amendment provides protections for the interests of employees who may be affected by the assistance or financing provided under this legislation. The amendment would protect existing employee rights,

including pension rights; would continue collective bargaining where it now exists; would protect individual employees against their positions being worsened, with a reasonable floor of protection being that already established for the transportation industries subject to Federal regulation; would provide a continuation of the employment relationship where mass transportation systems are acquired by a new employer with assistance under this act.

Mr. President, it might be helpful to my colleagues in the Senate if I present a very brief outline, descriptive of the amendment.

First. No financial assistance under the bill shall be made available to any State or local public body for the purpose of purchasing any facility or property of a private mass transportation company unless (a) such company has, prior to such acquisition, been declared bankrupt or placed into receivership by a court of competent jurisdiction, or (b) the Administrator finds that such assistance is essential to a program, for the acquisition of mass transportation facilities or property, supplementary to the service provided by an existing publicly owned or operated mass transportation system, and (c) in either situation under (a) or (b), the Administrator and the Secretary of Labor, acting jointly under section 19(c) of the bill, find that the project to be assisted complies with the section 19(c) requirements.

This limitation on the use of Federal funds under the bill extends to the improvement or reconstruction of facilities acquired after the effective date of the act as well.

Second. Financial assistance under the bill will be available to any State or local public body for the purpose of developing mass transportation facilities which will compete with or supplement existing mass transportation service only if the following conditions are met:

(a) The Administrator must find that such assistance is essential to the development of a unified urban transportation system which is a part of a comprehensively planned development of the urban areas;

(b) The Administrator finds that the program provides for the participation of private mass transportation companies to the maximum extent feasible; and

(c) The Administrator acting jointly with the Secretary of Labor is satisfied that the protective arrangements required by section 19(c) have been provided by the project.

Third. The amendment clarifies and improves the protective arrangements in section 19(c) of the bill in the following manner: (a) It makes it clear that the rights of beneficiaries will be preserved along with the rights of employees under existing collective bargaining agreements in effect in any mass transportation which is involved in any project assisted under the bill; (b) it makes it clear that collective bargaining in any situation where it now exists will be continued; (c) it assures employees that in the event of any layoff or downgrading of their employee classification in

consequence of the development of any project under the bill, they will receive basic job protection benefits at least equivalent to those which have prevailed in the transportation industries subject to Federal regulation; and (d) it provides for the continuation of employment of any employees of any mass transportation system which has been transferred in consequence of any project which has been assisted under the bill.

Mr. President, let me say a few explanatory words about what may be called the philosophy of the Morse-McNamara-Williams amendment. I have worked on many complicated issues in the Senate. However, I do not know that I have ever worked on one with more tug and pull, more conflict of interests of various types, more complexities, than this issue. The amendment I am presenting is the composite result of many minds here in the Senate being brought to bear on a problem, with individual Senators pressing for consideration of individual problems relative to their States. What we have here is a composite amendment that I believe ought to go to conference. I would certainly be intellectually dishonest if I said to the Members of the Senate that the amendment may not need some modification in conference after there is brought to bear the give-and-take conference procedure.

The underlying purpose of the amendment, the underlying principle of the amendment, I thoroughly and heartily endorse. I wish to talk about those purposes for a moment. The issue of public policy runs through the amendment. That is a question of public policy on which reasonable men can disagree. We have already had disagreement on this policy, as we have already had disagreement on the bill with respect to that question.

The question of policy is this: Should the Federal Government make available to cities, States, and local governmental units Federal money to be used to strengthen their mass transit system in those communities when the use of that money would result in lessening the collective bargaining rights of existing unions?

As a matter of Federal public policy, can we justify the use of Federal dollars to weaken what I hope is true, namely, that collective bargaining between free labor and free employers is a basic and essential part of the American economic freedom? If we qualify that, and if we are not willing to agree to that premise, then I can see that individual Senators may have some decided differences with the senior Senator from Oregon with respect to the amendment.

However, let me state my position. In my judgment we cannot justify, as a matter of public policy, the use of Federal dollars by a local community or a governmental unit thereof to be spent for development of a transit system, the expenditure of which would result in worsening the present collective bargaining rights of free labor which operates that transit system.

As I have said in all the cloakroom and office conferences that we have had,

I do not believe that the transit bill should be used in order to strengthen labor by imposing a union on a non-union transit system.

Likewise, it is the position of the senior Senator from Oregon that the transit bill should not be finally passed in a shape in which it can be used to break the back of collective bargaining in any transit system now in operation. Let me very quickly say that neither do I think the bill should be used, in a new community where a transit system has to be built to require that a union be established in that transit system, because that ought to depend on the employees' free choice in the matter and on the processes of an orderly free collective bargaining system between free labor and free employers.

In summary, then, the philosophical position of the senior Senator from Oregon on this matter is one that he has held for years. We had in the War Labor Board a somewhat different fact situation but still the same policy question when in the early days we got into a controversy as to what our position would be on the maintenance of collective bargaining, or the maintenance of a union. As a public member of the Board, I proposed the formula that the Board unanimously adopted, employer members and labor members and public members, by a vote of 12 to nothing. The Board adopted the principle that the war could not be used by an employer to break a union that he already had in his plant; that the war could not be used by a union to force upon an employer a union in a plant then nonunion. If the plant was nonunion, the union could be established in that plant during the war only by free collective bargaining between employer and union, and any attempt to use economic force by way of strike in violation of the no-strike, no-lockout agreement, which had come to be accepted by American industry and American labor, at the request of the President of the United States, would be a strike that the Board would not countenance.

Some attempts were made, and the history of that period is replete with instances, in which the Board made it perfectly clear to such unions that they would not have the support of the Board, and would stand in violation of the no-strike, no-lockout agreement. It is also true that under those wartime conditions there were some instances in which employers sought to use the exigencies of the war as a means of weakening or destroying a union. A couple of cases went as far as seizure, so as to make it clear to the employers that we meant it when we adopted the Morse formula and were not going to allow them to use the war as an excuse to destroy a union in their plants.

This proposal is not on all fours with the situation presented by the substitute bill, but there is a similarity of principle that I wish to stress, because it is my underlying thesis as I press for the adoption of the amendment: That is, we ought to maintain the status quo.

Let me talk about a few hypotheticals in my description of what we can do to maintain the status quo. Suppose we

consider company X and union A. Company X is going into bankruptcy. It has been decided that city M will take over the company. In my judgment, the city should be allowed to take over the company, and my amendment would permit it, but it should be allowed to do so only if the city is willing also to take over the labor-management relations, if any, that have prevailed in the company. In other words, if there is a collective bargaining agreement, it should be understood that the city shall take them over. But I am told that such an arrangement cannot be accepted by many Senators because in some States there is a policy, by way of law, against recognizing unions.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. MORSE. Let me finish my statement. I think it would be better if I stated my hypotheticals.

Mr. GOLDWATER. Would the Senator allow me to ask him a question or two? I have some questions to propound which I believe will assist in making the legislative history. Would the Senator prefer to finish his presentation?

Mr. MORSE. Yes. I should like to finish this statement; then I shall yield to the Senator from Arizona.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. MORSE. I yield myself another 10 minutes.

What we have in that situation under the substitute bill, as I see it, is a conflict between a sound Federal public policy and a policy of a State. The State can continue its State policy if it wishes to; but in the judgment of the senior Senator from Oregon, the State should not be allowed to receive Federal money with which to continue a policy that is in conflict with sound Federal policy.

In a nutshell, that is my position. I think what we really must decide today is whether the Senate will underwrite and approve free collective bargaining as national policy, or will pass a bill which, in my judgment, will weaken free collective bargaining. I warn the Senate that troublous days may be expected in the next few years anyway in the whole problem of labor relations. I do not think we should adopt a bill today without the protection offered by my amendment. To do so will intensify labor conflict in this country.

The whole problem of automation is growing, with probably tens and tens of thousands of jobs to be lost as a result of automation. Organized labor is greatly concerned about it. It has been said in some of our conferences that organized labor may very well be unduly apprehensive about the bill; but that does not change the reality of their concern. Organized labor wanted more than the Morse amendment offers. They wanted a guarantee that if a new transit company were to be established with Federal funds contributed to it, there would have to be collective bargaining. I said, "In my judgment, you are not entitled to that."

Organized labor wanted a guarantee, in case after case, that they would be strengthened. I said, "In my judgment,

the only sound policy to which you are entitled is the maintenance of the status quo. If you have collective bargaining now, I think the bill ought to be so drawn that you will be assured of a continuance of collective bargaining, so far as the Federal Government is concerned."

Mr. President, that is my proposal in a nutshell. It is open to debate. I shall first yield to the Senator from Arizona for a question, and then to the Senator from Connecticut [Mr. RBICOFF]. It may be that more workable language can be adopted or devised on the floor of the Senate. If so, and if it does not endanger the major premise of the senior Senator from Oregon, I shall not have any quarrel with such language changes.

But if any proposed language changes result in the Federal Government surrendering what I believe is a basic, sound national policy of economic freedom, and I look upon collective bargaining as such a policy, I shall vote against such a surrender if it is incorporated in the bill. I shall vote against the amendment and the bill.

I now yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I shall comment briefly on the proposal of the Senator from Oregon in the field of labor. Actually, it does not change the original subsection a great deal. However, I should like to raise a few questions about it, because I questioned it at great length on the floor when I sought to have the entire subsection stricken.

Mr. MORSE. Mr. President, may I interrupt the Senator from Arizona to inquire how much time I have remaining?

Mr. GOLDWATER. Mr. President, I should be happy to ask the controller of time to grant time on the bill.

Mr. MORSE. Only a part of it.

Mr. TOWER. Mr. President, if it is a question of time, I yield to the Senator from Arizona as much time as he wishes to take.

The PRESIDING OFFICER. The Senator from Oregon has 8 minutes remaining.

Mr. GOLDWATER. My basic concern in the field is caused by language that to me seems to present a possibility of conflict with existing State laws and city ordinances.

I am in partial agreement—I will not say complete agreement—with the objectives of the Senator from Oregon, in that where there are bargaining agreements, pension plans, and the like, already in existence, they should be protected. I believe there are 42 cities in the United States having a population of more than 300,000 which now have bargaining agreements with the workers in the transportation field.

The first question that comes to my mind relates to the language on page 3, line 16, of the amendment of the Senator from Oregon:

Such protective arrangements shall include, without being limited to, such provisions as may be necessary.

Does the Senator from Oregon share my fear that this language, without being limited, might be interpreted by

the Administrator of the act to include the right to strike?

Mr. MORSE. Not in violation of Federal or State law in any case where the Federal law has not supervened.

Mr. GOLDWATER. That is a question that comes to my mind, because at the bottom of the subsection this language occurs:

The contract for the granting of any such assistance shall specify the terms and conditions of such protective arrangements.

It begins:

It shall be a condition of the granting of any assistance or the financing of any project under this Act—

And so forth and so forth.

My fear is that if there were a State law which prohibited a strike against any segment of government, this language might preempt that State law.

Mr. MORSE. For the purpose of establishing the legislative history, let me assure the Senator from Arizona that such is not the intention of this language. Here we are talking, too, about the status quo; and whatever the status quo was in regard to that situation, it would continue to prevail. Furthermore, we are also talking about a municipally owned and operated transit company, not covered by the Taft-Hartley Act.

Mr. GOLDWATER. That is a point which I wished to make following the one I have made on the question of striking.

Let us assume that in a hypothetical case, company A, in city X, is privately owned, and has a bargaining agreement with the union, and that the agreement recognizes the right to strike, because the agency is not an agency of government and is not covered by State law or by Federal law. If the company were taken over by the city and if the right to strike were one of the rights gained at the bargaining table, would that right continue to exist under the new arrangement, in the opinion of the Senator from Oregon?

Mr. MORSE. The amendment provides that Federal assistance will not be available under the bill for the purpose of enabling a city to acquire a privately owned transit system except in special instances such as bankruptcy. If there should be such an acquisition in these special cases and if there were a State law which prevented public employees from striking, they could not then strike. They would then have all their other rights, but not the right to strike.

Mr. GOLDWATER. I must disagree with the distinguished Senator from Oregon, and this is my major point of disagreement. I think we should reassure the States and cities that there would be no possibility of striking against the local government. I believe that is a very sound provision of law; and I believe it would be unwise to allow any employee of any government to strike against the people. I think collective bargaining for working conditions, and so forth, is perfectly legal, permissible, and desirable, so long as the right to strike is not included in it in such cases. So I suggest that we try to work out some language which will reiterate that, because if that is not done, I think the lan-

guage proposed is such as to completely preempt any State law in this particular field.

Mr. MORSE. First, I wish to answer the hypothetical question of the Senator; and then I wish to point out that under the bill, his hypothetical is not altogether realistic.

But in the few special cases of acquisitions of bankrupt transit systems, for example, then, in my judgment, the collective bargaining if such relations were established, would continue. But continuation of the collective bargaining would not mean that the right to strike a private employer would also continue for the reason that the private employer has been replaced by a municipal employer. The public agency would still have the obligation to carry out all the collective-bargaining obligations of the contract; but if State law forbade a strike against a municipality of course the union would be bound by the State law.

But the Senator's hypothetical is unrealistic, because under the hypothetical and under the bill, the city could not purchase that particular transit line except in the special circumstance which I have mentioned.

The PRESIDING OFFICER. The time yielded to the Senator from Arizona has expired.

Mr. TOWER. Mr. President, I yield 10 minutes on the bill to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 10 minutes on the bill.

Mr. GOLDWATER. Then, Mr. President, let us extend the hypothetical to a situation in which it could be pertinent. Under the language of the Senator's amendment, which has been changed since he first showed us the other draft, the city could purchase a private company which either was in bankruptcy or was threatened with bankruptcy. Let us assume that company B was going broke, and that the city wished to purchase it, and that the company had a bargaining agreement which recognized the right to strike. Therefore, under this provision of the amendment, in paragraph (c), all rights, privileges, and benefits would be preserved. If one of those rights was recognized as the right to strike, how could the Senator's amendment do other than preserve that right?

Mr. MORSE. In that case, the State law would supervene. The rights we are talking about are those spelled out in the collective bargaining agreement—wages, hours, conditions of employment, pensions, welfare funds. This has nothing to do with the right to strike. In this sense, the right to strike is not part of the collective-bargaining agreement. The State law would be controlling, because a strike would be contrary to the public policy as established by the paramount State law since the National Labor Relations Act, by your hypothesis, does not apply. My amendment does not affect any application made by a public agency operating under such a State policy.

Mr. GOLDWATER. In my opinion, the right to strike is inherent in any bar-

gaining agreement, and is, in my opinion, given to any bargaining agency—to the union, and does not have to be spelled out.

Mr. MORSE. Then the Taft-Hartley Act is not applicable.

Mr. GOLDWATER. But let us assume it were applicable.

Mr. MORSE. Then the situation would be entirely different.

Mr. GOLDWATER. Let us consider a company in Memphis, Tenn., or in New York City, or in Hartford, Conn.—any company in a city where the State line is close by. Therefore, it would be in interstate commerce, and I think the Taft-Hartley Act would apply.

Mr. MORSE. If I understand your point; let me say that your question involves an interpretation of the Taft-Hartley Act, and does not involve this bill.

Mr. GOLDWATER. But I believe the Taft-Hartley Act would apply to this bill or its interpretation, regardless of what the Senator from Oregon or I may think about it. I do not think we can eliminate the application of the Taft-Hartley Act just because there is in the bill a subsection which deals with labor.

Mr. MORSE. If we were dealing with an employer who is subject to Taft-Hartley, the Federal law would preempt any municipal ordinance and State law in conflict with it. However, I am talking about a case in which Federal law does not touch the question of whether there is a right to strike.

Mr. GOLDWATER. Let us consider a case in which an existing private transit system were taken over by a city and were operated at the government level. In the opinion of the Senator, could the bargaining agent strike against the city after it took over the transportation system?

Mr. MORSE. Again, the hypothetical is not realistic except in a few special situations such as a takeover of a bankrupt system, but the agreement in such cases could not supersede State law.

Mr. GOLDWATER. Then is it the opinion of the Senator from Oregon that this language in no way would supersede State law?

Mr. MORSE. Yes, as to the right to strike.

Mr. GOLDWATER. How could it not supersede State law as to the right to strike, but could supersede other law?

Mr. MORSE. That is perfectly clear. The amendment does not supersede any State policy. It makes perfectly clear that if there were a collective-bargaining agreement which covered wages, hours, conditions of employment, pensions, welfare, and all the other forms of collective-bargaining agreements, and if the city wished to obtain a loan or a grant under this bill for an acquisition in the few exceptional cases to which I have referred, and if it proposed to reject the collective-bargaining agreement, it would not be eligible to receive the money.

Mr. GOLDWATER. I understand that perfectly, but my concern does not go to that. My concern is that we would allow the employees of the company, while operating under the city, to have the power to strike against a division of gov-

ernment—which I do not think the Senator from Oregon would agree would be correct.

Mr. MORSE. No, the bill does not allow that and does not cover that.

I repeat that if in a State there is a public policy which forbids government employees to strike, that will prevail and it will in no way affect an application made under the terms of the bill.

Mr. GOLDWATER. I wish to refer to another provision which contains what I believe to be ambiguous language. I refer to subparagraph (4). I shall read it:

Assurances of employment to employees of acquired mass transportation systems by the acquiring or operating entities—

Then the ambiguity comes in— and priority of employment or reemployment of employees terminated or laid off.

In the first part of that sentence there is a prohibition against laying off any employee. In the second part of the sentence the possibility of such a layoff is anticipated. I am not speaking against the Senator. I am suggesting that he might rephrase that provision to erase any idea of it going two ways.

Simply stated, to me the provision means that an employer could not fire an employee, but he might be able to fire an employee.

Mr. MORSE. I do not think we need to change the language. I believe we are covering the point in the legislative history that the Senator and I are now making. The point I wish to stress in the legislative history is that the successor company stands in exactly the same shoes as the predecessor company, and whatever was binding upon the predecessor company in regard to the matter of conditions of employment is binding upon the successor company. The collective bargaining agreement continues until the parties by collective bargaining change the agreement.

Mr. GOLDWATER. Mr. President, I am glad that point was cleared up. I think the Senator will agree that there is some doubt in that sentence. It is a rather fuzzy sentence. I believe it would probably have been just as well to have left the provision as it was or to have stricken the second part of it. It leaves some doubt in my mind as to whether or not the employer would be required to retain the employee.

Mr. MORSE. I believe the point is cleared up in our colloquy. I thank the Senator.

Mr. GOLDWATER. Mr. President, the Senator from Oregon referred to "the declared policy." I wish to state for the legislative record that in title I of the amendment to the National Labor Relations Act, which we call the Taft-Hartley amendment, the following provision appears:

It is hereby declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their

own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection.

I believe the Senator and I understand that language and agree with it. Many times I have stated publicly that when the law was enacted—indeed, when the original Wagner Act was enacted—it was long overdue.

However, in the definitions of section 2, paragraph (2), the following appears:

(2) The term "employer" includes any person acting as an agent of an employer, directly or indirectly, but shall not include the United States or any wholly owned Government corporation, or any Federal Reserve bank, or any State or political subdivision thereof.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TOWER. Mr. President, I yield 5 additional minutes to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, the Senator had not yielded 5 or 10 minutes—

Mr. TOWER. I yielded 10 minutes on the bill. I now yield 5 minutes on the amendment.

Mr. GOLDWATER. I thank my good friend from Texas.

It has already been stated as national policy that collective bargaining is to be encouraged. It is also a part of national policy that States or political subdivisions thereof are excluded.

My fear about the existing part of the act and the amendment proposed by my friend from Oregon is that either the language of the bill or that proposed by the Senator—and they are almost identical—will be interpreted by the Administrator of the NLRB or some court as preempting State laws that cover the field at the present time.

One final word of assurance from the Senator from Oregon that the intentions expressed in the definitions part of the Taft-Hartley Act will not be violated would be of great help on that point if we are ever attacked in relation to it.

Mr. MORSE. The very reason that the language in the bill reads as it does is in order to make it clear that the Taft-Hartley exemptions are not changed by the amendment.

I cannot emphasize the point more than I already have done in the legislative history in our debate. It deals with municipal and State problems, and not Federal problems.

Mr. GOLDWATER. Then, as a final word, the language proposed by the Senator from Oregon or the language of the bill as it now stands in no way would preempt State law.

Mr. MORSE. The answer is yes; and particularly as I have mentioned. If the collective bargaining should be taken over by a public agency in the exceptional case described, the right to strike against the public agency would be taken away from labor. But that is not a contractual right; it is not among the contractual rights the State agency must recognize in order to have an application for aid considered.

Mr. GOLDWATER. The right to strike against the public agency.

Mr. MORSE. Against the public agency where the State or local law forbids the right to strike.

Mr. GOLDWATER. If there is local law, the language of the Senator from Oregon would not prevail.

Mr. MORSE. The Senator is correct.

Mr. GOLDWATER. If there is not a local law, would it be the interpretation of the Senator from Oregon that employees could strike in spite of the language in the "definitions" clause of the Taft-Hartley Act?

Mr. MORSE. In the absence of any local law, it would be for the State court to decide whether they had that right.

Mr. GOLDWATER. Mr. President, I thank the Senator from Oregon for this discussion. I am very apprehensive about the proposed language, as he knows. I do not desire to destroy the bargaining rights of employees affected. Neither do I desire to destroy the rights of the public by some language that would overrule State laws which are designed to protect, and also overrule national policy which is designed to protect.

Mr. MORSE. Mr. President, if it meets with the approval of the Senator from New Jersey [Mr. WILLIAMS], I should like to yield 10 minutes on the bill to the Senator from Connecticut [Mr. RIBICOFF].

Mr. TOWER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TOWER. It was my understanding that I had the floor. I had yielded to the Senator from Arizona.

The PRESIDING OFFICER. The 5 minutes yielded to the Senator from Arizona have expired. The Chair recognizes the Senator from Oregon.

Mr. MORSE. In order to avoid a misunderstanding with the Senator from Texas, I thought I retained the floor. I only asked him, on my time on the floor, if he would be willing to yield time to the Senator from Arizona.

Mr. TOWER. It is quite all right.

Mr. MORSE. I should like now to yield 10 minutes on the bill to the Senator from Connecticut, if the Senator from New Jersey approves.

Mr. WILLIAMS of New Jersey. I shall be happy to have the Senator yield time on the bill to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, it is important to clarify some doubts in the minds of many Senators. The Senator from Oregon has made some changes in his amendment since yesterday afternoon. As the Senator realizes, there was deep concern on the part of Senators from the New England States and New York concerning the language of the original amendment proposed by the Senator. That would have excluded from financial assistance States or regional authorities which might help or assist commuters by acquiring an interest in a private company already in bankruptcy such as the New Haven Railroad. As the Senator realizes, I offered an amendment to his amendment. Is it correct to say that my amendment No. 31 has now been incor-

porated in amendment 30 of the Senator from Oregon?

Mr. MORSE. I apologize to the Senator for not making that point clear when I explained my amendment. The Senator and I had a conference yesterday afternoon. We had technical assistance. I thought his amendment was meritorious. I told him it was acceptable to me and I would see if I could not have it included in the bill by obtaining the consensus of the others. They agreed with us, and we find it on line 4, page 2—

Unless (A) such company has, prior to such acquisition, been declared bankrupt or placed into receivership by a court of competent jurisdiction,

The provision means that they could obtain aid under the bill.

That referred also to the objection of the Senators from Rhode Island [Mr. PASTORE and Mr. PELL] in regard to this particular point, but only in regard to that point.

Mr. RIBICOFF. We were all concerned about it. So there is no question at the present time that should the States of Massachusetts, Rhode Island, Connecticut, or New York find that they must develop a program with the bankrupt New Haven Railroad in order to save the commuter traffic and keep the line in existence, and this program were to include some acquisition of the commuter service of a bankrupt line by a public agency or some interest in such service, then under this act and under the amendment of the Senator from Oregon it would be possible to come to the Federal agency for financial assistance.

Mr. MORSE. There is no question about it. They have the authority to do so.

Mr. RIBICOFF. I thank the Senator from Oregon.

Mr. CLARK. Mr. President—

Mr. MORSE. Does the Senator from Pennsylvania wish to ask me a question, or does he desire time of his own?

Mr. CLARK. I should like to have some time.

Mr. MORSE. I temporarily yield the floor, Mr. President.

Mr. WILLIAMS of New Jersey. Mr. President, I will yield to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, the Senator from Texas [Mr. Tower] was kind enough to say that he would yield me time.

Mr. TOWER. Mr. President, I yield 10 minutes to the Senator from Pennsylvania from the time in opposition to the amendment.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 10 minutes.

Mr. CLARK. Mr. President, with deep reluctance I rise to oppose the Morse amendment.

I am in complete agreement with my good friend, the Senator from Oregon, as to the objectives he seeks to achieve by his amendment. Surely we should not in this legislation attempt to write a labor law. We should leave labor's rights exactly where we found them, once this legislation is disposed of. I

do not wish to see this legislation used to diminish the rights of labor. I believe it inappropriate in this kind of legislation to attempt to increase the rights of labor. I am as opposed to a labor-baiting amendment as I am to a labor-take-over amendment. In this I believe I am in complete accord with my good friend from Oregon.

I think it is as unfortunate to attempt to affect basic labor law by this amendment as it would be to try to write a civil rights rider into the bill. Members of this body know well that I have been a friend of labor. Labor has been kind to me. I have also been a protagonist of civil rights, and this has perhaps aided me in my own community and State, and I believe that the civil rights legislation proposed in this body should be passed. However, this is not the way to do it.

Therefore I must oppose the amendment. I oppose it, Mr. President, because in my judgment nobody knows what the amendment would do. I know that my good friend from Oregon, who is one of the best lawyers who has ever served in this body, did not write this amendment. I am sure that if he had had an opportunity to consider it at great length his trained legal mind would have made many changes in it.

This is not the same amendment which was presented to us yesterday by some of our good friends. This is an amendment rewritten overnight. I say again I do not believe the people who wrote it know what is in it. I suggest this is not the way to deal with so important a matter of legislation on the floor of the U.S. Senate.

The labor provisions in the committee bill—and I was a member of the subcommittee and of the full committee, and I approved them—were carefully thought through and carefully worked out by the Senator from New Jersey, who did a magnificent job, in my opinion, in reconciling the conflicting views of those who wanted to use this legislation to curtail the rights of labor on the one hand and of those who wanted to use this legislation to increase the rights of labor on the other. That language was thought out. It was thought through. It has gone through the crucible of minds battering out the truth on the anvil.

I suggest to my friends in the Senate that the language in the bill as it came from the committee is the language which should remain. That language ignores the radical right and ignores the radical left and goes down the middle with a sound provision.

I should like to summarize it at this point. It appears in subsection (c) on page 26. It states:

It shall be a condition of the granting of any assistance or the financing of any project under this act that fair and equitable arrangements are made, as determined by the Administrator after consultation with and the concurrence of the Secretary of Labor, to protect the interests of employees affected by such assistance or financing. Such protective arrangements shall include—

Not "may include" but "shall include"—

without being limited to, such provisions as may be necessary for (1) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements; (2) the encouragement of the continuation of collective bargaining rights; (3) the protection of individual employees against a worsening of their positions with respect to their employment; (4) priority of employment or reemployment of employees terminated or laid off; and (5) paid training or retraining programs. The contract for the granting of any such assistance shall specify the terms and conditions of such protective arrangements.

Mr. President, I submit that that lays it on the line in accordance with what the Senator from Oregon is trying so hard to do—what I am trying to do also, and the Senator from Alabama and the Senator from New Jersey are trying to do, which is to go right down the middle to protect existing rights, not to increase them or to diminish them but to protect them.

What have the people who drew up the amendment done? They have drawn up an amendment which says, in the first place, that a public agency could not be utilized to buy a private company. Why, Mr. President, this would knock out two-thirds of the benefits of the bill. Why was that done? It was because they fear that if we allow a public company to buy a private company then the rights of organized labor somewhere in the country might be adversely affected.

Mr. President, I say that they are throwing out the baby with the bath water. So I am opposed to it.

Then they went around and said, "We will fix it up." And they fixed it up overnight. They took care of some of the problems in Massachusetts. They took care of some of the problems in Connecticut. And they took care of half the problems in Pennsylvania, but not the other half. Other Senators come around to say, "But you haven't taken care of me."

Mr. President, we cannot legislate in that way on the floor of the Senate. If there are defects in the bill that came from the committee, if there are things in subsection (c) on page 26 which need to be improved, to assure that the objective of the Senator from Oregon—which is my objective, too—is carried out in the final legislation, there will be ample time to take care of that in conference.

The Senator from Alabama [Mr. SPARKMAN] will be on the conference committee. So will the Senator from New Jersey [Mr. WILLIAMS]. So, God willing, will I.

I make my commitment now that I shall use my every effort in conference to see to it that the objectives of my friend from Oregon are carried out.

But, Mr. President, let us not throw the baby out with the bath water.

I hope the amendment will be rejected. Mr. MORSE. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 1 minute.

Mr. MORSE. I wish to say to my good friend from Pennsylvania that nothing disappoints me more than to

find us in disagreement. I am glad we are in agreement as to the objectives, though I am sorry we are in complete disagreement as to how to reach the objectives.

As to the preparation of this amendment, I should like to advise the Senator that some 800 man-hours have been used in the development of this amendment by experienced and skilled experts.

The Senator from Oregon did give instructions to the counsel assisting him as to what the amendment should contain so far as the objectives are concerned. Counsel prepared it, but the Senator from Oregon has gone over it and approves the language of the amendment as carrying out those objectives in complete accord with his instructions.

It is impossible to satisfy all Senators. The reason why it is impossible to satisfy them all is that we cannot satisfy each instance and protect the Federal policy, because some changes are going to have to be brought about in some of the States to conform to the Federal policy.

I do not think there would be any great wrong done if we simply said to a State, "You do not qualify for this Federal grant." It does not mean they are entitled, as a matter of right, to the Federal grants irrespective of the fact that they are not following a policy that is in conformity with a Federal policy which I think is sound public policy.

One of the differences between the Senator from Pennsylvania and the Senator from Oregon is that, in my judgment, the committee bill did not provide for the status quo of labor relations. If it had provided for the status quo of labor relations, I would not have been offering an amendment. There would not have been vigorous opposition to the bill as it came to the floor on the part of labor. When they think a great wrong is being done to them, they have the right, as free men, to oppose legislation, because even the language the Senator from Pennsylvania has referred to—

The PRESIDING OFFICER. The Senator's minute has expired.

Mr. MORSE. I yield myself another minute.

Even that language uses the word "encourages" the maintenance of the status quo, but it does not require it. What does "encourage" mean? It cannot be subjected to a definition that gives any real protection to labor.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CLARK. For myself, I would be glad to change the word "encourages" to the word "protects."

Mr. MORSE. Well, I have the bill before me, and the amendment is based on the bill as it is worded.

Under this indefinite language, collective bargaining agreements could be ignored or set aside by systems of public ownership.

Furthermore, there is not a word said about the Washington agreement, or section 5(2) (f) of the Interstate Commerce

Act. It is not even mentioned in the bill. Its present application to the railroads is vital. It is in my amendment. Without it, there will be unified opposition by the railroad brotherhoods to the committee bill. Under those circumstances, they would be right in their opposition. The precious rights obtained by them under the Washington agreement should be indifferently set aside by a federally assisted transportation system as a matter of sound public policy. Therefore, I could not vote for the bill as it came out of the committee, because I disagree with the Senator from Pennsylvania. It does not adequately protect the legitimate rights of labor.

Mr. TOWER. Mr. President, I yield myself 5 minutes.

I should like to express my thanks to the distinguished Senator from Pennsylvania for his clear and lucid argument against the adoption of this amendment, and state that, while my objectives may not be the same as his, I think his reasoning is absolutely right.

I certainly would not want to tack any punitive labor legislation onto this bill. I think that is definitely wrong. But we have been reassured time and time again that it is not our intent to supersede or contravene State law. But with the submission of this amendment by the proponents of the bill, a very ugly cat, indeed, has been let out of the bag.

I agree with the Senator from Pennsylvania that we cannot say what these provisions mean. The bill has not been enacted yet. It has not been tested in the courts. There are no precedents. How do we know what it means?

I think it means that, in a State where political subdivisions are prohibited from recognizing unions as bargaining agents, either municipalities in those States will not be able to qualify for aid under this bill or, if they do, they will have to repeal or amend their laws.

Much has been said about our not wanting discrimination in the bill. I tried to get a definition of urban area adopted. It would have excluded smaller communities. Much has been made of the fact that we do not want to discriminate against smaller communities; that they have as much right under the bill as any other communities. But we are discriminating against a number of States that have rigid provisions in their laws relative to bargaining arrangements, strikes, and picketing on the part of public employees.

I intend to offer an amendment to the Morse amendment in a moment which would strike out the labor provision. It appears that this may be a condition for the support of organized labor of the bill, but that certainly is no argument for the adoption of a provision of this sort.

Much was made in committee testimony about featherbedding. Mr. Wirtz said he was utterly opposed to featherbedding, that it was wasteful; but we are perpetuating featherbedding in this bill. That is precisely what we are doing.

There is a provision for buying bankrupt companies. What has made some of these companies bankrupt? They have been caught in the price-cost

squeeze, because their costs got higher and higher, in many instances, perhaps, as a result of featherbedding. Yet we want to perpetuate the very thing that may be bankrupting these companies.

It is my fervent hope that the amendment will be roundly and soundly defeated.

I yield 5 minutes to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, I do not want my silence to leave the impression that I agree with the argument that the bill does not in any manner affect the Taft-Hartley law. In my judgment, the bill as it is written and as sought to be amended by the Senator from Oregon will affect the Taft-Hartley law. I shall endeavor to explain my reasons for that judgment.

The Taft-Hartley law provides that the right to concerted action by workers shall be valid. Concerted action includes the right to strike. However, the Taft-Hartley law also provides that it shall not be applicable to Federal or other governmental employees.

Whenever a transportation system crosses a State line or is engaged in a volume of business that affects interstate commerce, even though that system is solely within the boundaries of a State and does not cross the State line, the Taft-Hartley law is applicable.

There are now transportation systems which may be affected by the Taft-Hartley law. Others are not affected because they are governmentally operated. If the pending bill is passed and a private company is taken over by a government, although the Taft-Hartley law provides that it does not apply to governmental operations, the bill says that it shall apply to carry out the previous agreement.

To summarize, no operation in the transportation business now covered by government is affected by the Taft-Hartley Act. Private enterprises are covered, in many instances, by the Taft-Hartley Act. It is now proposed to have a free enterprise system, through the finances granted under the bill, taken over by a government. I submit to the Senate the language is clear that if that private enterprise had a collective bargaining agreement with a union, when it is taken over by a government the collective bargaining agreement applies, even though the present Taft-Hartley law states that governmental operations shall not be affected by the Taft-Hartley Act.

So I submit to my colleagues that, both by the bill as it is now pending and as it is proposed to be amended by the Senator from Oregon, the Taft-Hartley law will be amended if these proposals are adopted.

Mr. MORSE. I yield myself 2 minutes.

First, I wish to say to my friend from Texas that in my judgment no question of featherbedding is involved in this amendment at all. If there is a serious problem of featherbedding in the country, it will have to be handled as a separate matter. If we have that problem, it will have to be solved by procedures that will have to be developed for the handling of it, just as at the present time we are opening consideration of the charge of featherbedding in the railway

industry; and just as analyses and studies are being made with reference to featherbedding in the maritime industry.

I suppose one way to get rid of featherbedding is to get rid of unions. According to the Senator from Texas, another way would be the operation of industry by public agencies, but I doubt he wants to advocate that. Neither method would be in keeping with the place that American unions have in our economy, or the part they have played in easing the transition into automation.

I wish to say to my friend, the Senator from Ohio, that I disagree with him on what would be the obligation under the bill. The obligation derives from the arrangements with the Administrator. It does not derive from the Taft-Hartley law at all. They are contractual arrangements. It is the contracts that are binding. I refer Senators to page 26 of the bill, where this language appears:

(c) It shall be a condition of the granting of any assistance or the financing of any project under this act that fair and equitable arrangements are made, as determined by the Administrator after consultation with and the concurrence of the Secretary of Labor, to protect the interests of employees affected by such assistance or financing. Such protective arrangements shall include—

Then it sets out such terms of the contract with continuation of collective bargaining in any situation where it now exists plus other obligations arising from the arrangement with the Administrator.

An unfair labor practice charge against the municipality under the Taft-Hartley law for any conduct under such arrangement under the amendment would be dismissed by the National Labor Relations Board because the arrangement that was entered into would create the obligation, not the Taft-Hartley law.

Mr. TOWER. Mr. President, the language of the amendment reads:

The protection of individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to the provisions of section 5(2) (f) of the Interstate Commerce Act.

Mr. MORSE. It means that the status quo must be preserved with respect to the employer-employee relationship. The relationships of the successor employer under a federally assisted project under the bill would be the same as his predecessor.

All I am saying is the public operation should extend to employees the same protection they had under private operation.

Mr. TOWER. I will yield in a moment to the Senator from Arizona to read the appropriate section of the Interstate Commerce Act. However, I read further from the Senator's amendment:

Assurances of employment to employees of acquired mass transportation systems by the acquiring or operating entities.

I yield to the Senator from Arizona.

Mr. MORSE. It means that the employees must be taken over with the plant; the position of the successor is

no more or no less than his predecessor under this provision of the amendment.

Mr. TOWER. Whether they are working or not? It means that redundant people must be kept on the payroll.

Mr. GOLDWATER. I thank the Senator from Texas. This is one of the points I failed to cover in my colloquy with the senior Senator from Oregon. He referred to section 5(2)(f) of the Interstate Commerce Act. I am not going to read all of it, but I ask unanimous consent that the entire section be printed in the RECORD at this point in my remarks.

There being no objection, the section of the act was ordered to be printed in the RECORD, as follows:

(f) As a condition of its approval, under this paragraph (2), of any transaction involving a carrier or carriers by railroad subject to the provisions of this part, the Commission shall require a fair and equitable arrangement to protect the interests of the railroad employees affected. In its order of approval the Commission shall include terms and conditions providing that during the period of four years from the effective date of such order such transaction will not result in employees of the carrier or carriers by railroad affected by such order being in a worse position with respect to their employment, except that the protection afforded to any employee pursuant to this sentence shall not be required to continue for a longer period, following the effective date of such order, than the period during which such employee was in the employ of such carrier or carriers prior to the effective date of such order. Notwithstanding any other provisions of this Act, an agreement pertaining to the protection of the interests of said employees may hereafter be entered into by any carrier or carriers by railroad and the duly authorized representative or representatives of its or their employees.

Mr. GOLDWATER. The point I refer to particularly reads:

In its order of approval, the Commission shall include terms and conditions providing that during the period of four years from the effective date of such order such transaction will not result in employees of the carrier or carriers by railroad affected by such order being in a worse position with respect to their employment.

In other words, let us say that a bus company is taken over by a city. If the bus company practiced featherbedding, the city cannot discharge these employees for a period of 4 years, even though they are not needed.

I wish to make it clear to my colleagues in the Senate, so that they may understand this point. The amendment does perpetuate featherbedding. Let us say that the company has gone broke because of inefficiency, and the inefficiency is to be found in the operation of the vehicles or in the operation of the garage. The people there who are responsible for the inefficiency cannot be removed from their jobs for a period of 4 years. I suggest to my friend from Oregon and to my friend from Texas that this does violence to the concept of collective bargaining. It prohibits anything being done about these men for a period of 4 years. If we accept the Morse amendment today, we will accept a prohibition against the removal of any employees for any reason for a period of 4 years.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. TOWER. Mr. President, how much time do I have remaining on the amendment?

The PRESIDING OFFICER. Four minutes.

Mr. TOWER. I yield 2 minutes to the Senator from Ohio.

Mr. LAUSCHE. I have deep respect for the senior Senator from Oregon, but on this legal proposition I cannot accept the answer which he gave me. I repeat that he said that the contemplation here is to preserve the status quo. If we preserve the status quo, and a private company was formerly under the Taft-Hartley law, the Taft-Hartley law would apply. But if the company is taken over by a city, the Taft-Hartley law provides then when the city operates, the Taft-Hartley law shall not apply. The amendment of the Senator from Oregon provides that it shall apply. The conclusion is inescapable that whether the right is derived from the judgment of the Administrator, with which statement I do not agree, the right under the bill is derived from the declaration in the law that collective bargaining agreements shall continue if aid is to be granted, and the Administrator is barred from granting aid unless all the terms and conditions of the collective bargaining agreement shall be carried into effect in accordance with the judgment of the Administrator.

If a company is now privately operated, it is plain that it is subject to the Taft-Hartley law. If that company is taken over by a municipality, it would not be covered by the Taft-Hartley law. However, under the Senator's amendment it would be covered.

Mr. MORSE. I yield myself 5 minutes on the bill. First, I wish to say that municipalities are exempt under the Taft-Hartley law. Second, I wish to point out that preserving the status quo of the contractual arrangement means continuing the present collective bargaining relationship under the arrangement between the parties and the Administrator.

I wish to say to my friend from Arizona that the part of section 19(c) that he read in effect means, basically, that the job protections and standards refer to, first, dismissal allowances for employees who are deprived of employment; second, displacement allowances of employees who are displaced in minimum paying jobs; and, third, moving allowances for employees who are required to change their place of employment.

To my good friends, I say: You cannot have this both ways. You cannot say in one breath that you do not believe the bill should include any labor legislation, and in the next breath propose to follow a course of action which might adversely affect employment without giving the employee the comparable right which he would have had under section 5(2)(F) of the Interstate Commerce Act.

All I am saying is that whatever the arrangement is now—in comparable situations which might not have occurred

without the bill, whether in terms of displacement allowances, or of moving allowances—such a severance arrangement is continued and collective bargaining rights are continued.

In effect, if the Senate follows the position of the Senator from Arizona and the Senator from Texas, it will be passing major labor legislation within this bill, and using the bill improperly as a vehicle for major labor legislation.

Let us consider the problems existing in present collective bargaining agreements. How shall we correct abuses and injustices that have developed? They will be corrected just as we are seeking to correct them in the maritime industry, in the railroad industry, and in a good many other industries where there are charges of make-work programs.

I hope that we shall not, at least separately and distinctly, without a single hearing on these questions having been held, pass a transit bill which could and surely would, if the Senator from Texas and the Senator from Arizona have their way, result in denying thousands of employees their precious, hard-earned benefits which free collective bargaining has brought to them over the years.

To continue my argument would be only a matter of constant repetition. What the amendment would do, in spite of all the attacks on it, would be to assure that existing collective bargaining rights would not be taken away from the workers. I think that issue ought to go to conference. My confidence in the chairman of the Senate conferees, the distinguished junior Senator from Alabama [Mr. SPARKMAN], and his associates is such that I am satisfied that they can work out any of the "bugs," so to speak, that may be shown to have developed in the bill at the conference stage.

The distinguished junior Senator from New Jersey [Mr. WILLIAMS], chairman of the subcommittee, will be a member of the committee of conference, as will the distinguished senior Senator from Pennsylvania [Mr. CLARK].

In my judgment, the Senate should, as a matter of public policy, adopt the Morse amendment, underwriting the basic principle that the Senate does not propose to take away from labor, in the mass transit bill, hard-earned collective bargaining rights achieved over the years.

I close by saying that I am making an argument for free enterprise in maintaining to the extent possible private ownership of transportation companies under free collective bargaining. I am standing here fighting for the economic freedom of employers and unions in this country to continue their collective bargaining arrangements without Congress creating a system of public ownership of transit systems which would override in a moment employee rights and interests established in decades of free negotiation.

In any event, cities cannot use Federal funds for that purpose unless a bill to acquire or take over privately owned transport systems is passed save for the exceptional cases of bankruptcy or receivership to which I have already referred.

We are debating a bill which will be of great assistance to one city after another.

But have we a bill, taking it in its totality, which will promote a solution, in many cities, of serious transport problems? I think we have. I am seeking to add to the bill an amendment which will protect the status quo of employer and employee relations. I am making a free enterprise argument. It is an argument which seeks to protect one of the most precious freedoms which American employers and American workers have, namely, the right of employees, through their representatives, to enter into free collective bargaining agreements with private employers and to have those rights preserved and protected.

Mr. WILLIAMS of New Jersey. The Senator from Oregon certainly can make a justification for the amendment far more eloquently than I can; but as a cosponsor of the amendment, I, too, wish to say a word.

First, I was surprised when the senior Senator from Ohio [Mr. LAUSCHE] spoke as he did. I thought he would come here this morning to shout "Hallelujah." But he did not address himself to the first part of the amendment. The other day, in debate, the Senator from Ohio said:

The pending bill has the machinery to drive private transit systems out of existence.

In speaking of his own bill, he defended it by saying:

It would stop the Fabianists from pushing the private enterprise system of mass transportation into public, nationalized operation.

Under this amendment, that objective is certainly served, I respectfully submit to the Senator from Ohio.

I wish to go back some 600 man-hours ago to the time when we were at the beginning of our deliberations on the questions here involved. It seems to me we have two important operative facts.

One fact is, and was, that if the bill shall be enacted, it will be a significant stimulant to reemployment, to increase the number of employees in a very sick industry, the transit industry of the United States. We are all aware of the decline of employment in all the departments of mass transportation. The bill would provide the stimulant necessary to bring workers back to the railroads, back to rapid transit, back to the bus companies. That was an important fact with which we had to deal.

The other fact is that very few, although some, systems might be changed in a way that a few employees might be adversely affected. There could be readjustments; there could be a loss of collective bargaining rights and opportunities.

There is one clear principle which we have sought to preserve. We have sought to do everything possible in the bill to protect the workingman in the rights he has won. That is why we had section 19(c) in the bill. The Senator from Pennsylvania [Mr. CLARK] spelled out the protection there, and we believe we have honored our obligation not to affect working people adversely by the action

of the proposed legislation. However, in this sick industry, where there has been a decline in employment, an industry in which transit workers do not know from day to day what will happen to their jobs, they were fearful that this assurance was not guaranteed.

So we labored and labored and labored. Now we are here with a measure that certainly meets the objective of preserving the hard-earned rights and benefits of working people in the transit industry. We have preserved them in a way which certainly furthers private enterprise as the instrument to provide better transportation in this country.

All of us know that over the years one of the men most significant in finding the solution to the mystery in labor-management problems has been the senior Senator from Oregon. I express my personal gratitude for his advice and counsel both in our deliberations in the Senate and in offering this amendment today.

Mr. TOWER. Mr. President, it is my understanding that the time of the Senator from Oregon has expired. I yield back the remainder of my time for the purpose of offering an amendment to the amendment proposed by the Senator from Oregon.

I offer my amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. Beginning on page 3, it is proposed to strike out all beginning with line 9 and through line 8 on page 4.

Mr. TOWER. Mr. President, I suggest the absence of a quorum; and I ask unanimous consent that the time required for the quorum call not be charged to the time available to either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on April 3, 1963, the President had approved and signed the act (S. 1035) to extend the provisions of section 3 of Public Law 87-346, relating to dual rate contracts.

EXECUTIVE MESSAGES REFERRED

As in executive session, The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

VISIT TO THE SENATE BY DELEGATION FROM THE ECUADORAN CONGRESS

Mr. SPARKMAN. Mr. President, I yield myself 1 minute on the bill.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 1 minute.

Mr. SPARKMAN. Mr. President, at this time we are honored by a visit from a large delegation of Members of Congress from our sister Republic to the south, Ecuador. In a short time they are to be the guests of the Vice President at luncheon. Prior to the luncheon, he has brought them here, for a brief visit to the floor of the Senate.

Mr. President, I know that all of us join in extending to these distinguished guests a very warm invitation to be with us, and a very warm reception. We are delighted that they are visiting in our country. We appreciate very greatly the good relationships between Ecuador and the United States; and we know that these gentlemen will do much to cement further the strong bonds of friendship which our two countries enjoy.

Mr. TOWER. Mr. President, I should like to join the distinguished Senator from Alabama in welcoming our distinguished neighbors. We hope that they feel at home here, and we want them to be welcomed as further evidence of our very fine relationship with their great country. It is our distinct pleasure to welcome them here today. [Applause, Senators rising.]

URBAN MASS TRANSPORTATION ACT OF 1963

The Senate resumed the consideration of the bill (S. 6) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes.

Mr. TOWER. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time required for the quorum call not be charged to the time available to either side under the agreement.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Texas [Mr. Tower] to the amendment of the Senator from Oregon Mr. [MORSE].

Mr. TOWER. Mr. President, on my amendment I ask for the yeas and nays. The yeas and nays were ordered.

Mr. TOWER. Mr. President, my amendment would merely strike from the Morse amendment the language on what has been referred to as the protective arrangements, and would pre-

serve the language that is in the bill. I am not too happy with the language in the bill, as every Senator knows. But I think that the proposed language is infinitely worse. I am particularly concerned about subparagraph 2, relating to a continuation of collective bargaining in any situation in which it now exists, because I believe that the proposed language would fly in the teeth of several State laws. Probably it would make a number of States ineligible to qualify for aid under the provisions of the bill.

I am still concerned about subsections 3 and 4, because I do not believe, or I have not been satisfied, that those provisions do not perpetuate featherbedding. Let us examine this question. Subsection (3) states—

(3) the protection of individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to the provisions of section 5(2)(f) of the Interstate Commerce Act;—

which the Senator from Arizona [Mr. GOLDWATER] read a while ago. Subsection (4) states—

(4) assurances of employment to employees of acquired mass transportation systems by the acquiring or operating entities, and priority of employment or reemployment of employees terminated or laid off;

It seems to me that this provision would seal into their jobs people who are no longer needed. For example, a motorman on a street railway who cannot drive a bus, when the street railway changes over to a bus operation rather than a streetcar operation, would fall in this group. The company would be compelled to keep him on his job. They would be compelled to keep him on the payroll even though his services were no longer needed.

I think this provision certainly should be eliminated and we should go back to the the original provision of the bill as worked out very carefully in the committee. As the Senator from Pennsylvania [Mr. CLARK] pointed out a while ago, there was a good deal of deliberation on it and a good deal of give and take in the committee. It was probably the nearest thing to a compromise that one could find.

This proposal is not a compromise, Mr. President. This is a capitulation to the demands of trade union leadership, to demands made the condition for supporting this bill.

If we are going to make the bill satisfactory to everybody, I should like to consult a few interested groups of national importance to see what their condition for supporting the bill would be. Perhaps we could please everybody. I have never seen a piece of proposed legislation which did please everybody, but apparently this is what we are trying to do.

It is pretty obvious that not everybody among the proponents of the bill is entirely happy with the Morse amendment. I think this is the most odious section of it, and certainly it should be stricken.

Mr. MORSE. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 1 minute.

Mr. MORSE. Mr. President, I feel that I made the case against the amendment of my good friend from Texas [Mr. TOWER] when I made my argument in support of my own amendment. I wish to emphasize one point I made in support of my own amendment.

Not only would it continue the status quo, but also it would not in fact use the bill as a vehicle for passing major labor legislation. The amendment of the Senator from Texas would do exactly that.

Let us consider this matter of severance pay which is involved in the problem raised by the Senator from Texas.

What does the so-called Washington agreement involve? It states:

If deprived of employment: 60 percent of text period average ranging from 6 months' compensation for service from 1 to 2 years to 60 months' compensation for service 15 years and over, less other railroad compensation. Less than 1 year service: 60 days' lump-sum payment.

That is a very precious right which has been won by railway labor, known as the Washington agreement on this point. These rights are in existence. I am saying that they ought to be continued. I say that whatever the present situation is, it should be continued.

I repeat that the problem of featherbedding, the problem of made work, is very serious, but it does not arise under the amendment. If we wish to solve it legislatively, it ought to be handled in proposed legislation after full hearings on the problem.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. MORSE. We should not pass something here which would indirectly accomplish that purpose.

I yield to the Senator from Texas.

Mr. TOWER. I wish to ask the Senator a question. Was not the Washington agreement a voluntary agreement between the carriers and the unions?

Mr. MORSE. It is a part of a collective bargaining agreement, and I want it continued. However, it has become a cornerstone governing layoffs and position downgrading in the federally regulated transportation industries for many years. It finds expression in modified form in section 5(2)(F) of the Interstate Commerce Act and has been the basis for recommendations by Presidential emergency boards under the Railway Labor Act.

As the Senator from New Jersey [Mr. WILLIAMS], the chairman of the subcommittee, pointed out over and over again, there is a sick and dying industry in many parts of the country. The future of the transit companies in many cities is a pretty bleak future. We certainly do not have any right to destroy the rights of workers which have been worked out under collective bargaining agreements, through projects financed under this bill. We ought to preserve those rights.

Then, if there is a problem which calls for special legislation, we ought to consider it in hearings on the whole problem

of made work, or featherbedding, or whatever the problem seems to be.

Mr. President, I am ready to yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Texas yield time?

Mr. CLARK. Mr. President, I should like to have 5 minutes in opposition to the Tower amendment.

Mr. MORSE. If it is going to be in opposition, the Senator ought to take some of my time.

Mr. CLARK. I was going to ask the Senator from Oregon for time, if he has time to give me.

Mr. MORSE. I am willing to yield the Senator time from the time on the amendment; otherwise, I am sure he could use some of the time on the bill.

Mr. TOWER. Mr. President, I believe the Senator from Oregon has ample time on the amendment.

Mr. MORSE. I do not intend to use any more time on the amendment myself, so I will yield to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 5 minutes.

Mr. CLARK. Mr. President, I rise in opposition to the Tower amendment for the same reason that I opposed the Morse amendment.

In my opinion this bill should not be used as a vehicle either for increasing or for decreasing the rights of organized labor. As I said earlier today, as I would oppose a civil rights rider to this bill I oppose either a prolabor or an anti-labor rider.

The purpose of subsection (c) on page 26 of the amendment in the nature of a substitute is to protect existing labor rights; not to increase them or to decrease them.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. CLARK. I realize that, in making this statement, my judgment is not in accord with the view of the Senator from Texas, to whom I now gladly yield.

Mr. TOWER. Actually, what my amendment would do is to strike out the labor provision of the Morse amendment, which would mean that the labor provision now in the bill would prevail. I would not touch that.

Mr. CLARK. May I ask the Senator a question?

Mr. TOWER. Yes.

Mr. CLARK. Perhaps I misunderstood our colloquy earlier this morning. I had thought that the net effect of the amendment of the Senator from Texas would be to strike from the bill subsection (c), line 6 on page 26, of the amendment in the nature of a substitute.

Mr. TOWER. No.

Mr. CLARK. Is that an incorrect understanding?

Mr. TOWER. The effect of my amendment would be to strike from the Morse amendment the protective-arrangements provision.

Mr. CLARK. What would that leave?

Mr. TOWER. That would leave the present subsection (c) in the bill. It would not touch that at all. In other words, rather than the Morse language substituting for the language in the bill

the language in the bill would continue and prevail.

Mr. CLARK. Mr. President, then I oppose the Tower amendment for another and different reason. [Laughter.]

That is, because the Tower amendment would still leave in the Morse amendment those provisions which would make this bill relatively meaningless for the people of my State and for the people of many of the other States of the Union, for, in a very ingenious and able way, I make no criticism of his motivation, but nevertheless most ingeniously and ably the Senator from Texas would succeed, if his amendment were to prevail, in making it impossible for any public utility owned by a municipality, an authority, or a State to use Federal funds under this program to acquire a privately owned public utility.

This, I think is wrong. This, I think, would defeat one of the major benefits of the bill. Therefore, I am opposed to the amendment. In fact, what would happen would be that, except for completely inadequate exceptions and inclusions of sections (b) (1) and (b) (2) of the Morse amendment, the prohibition would continue, preventing the acquisition of private companies by companies operated by municipalities.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. CLARK. I yield to the Senator from Texas.

Mr. TOWER. My amendment would remove only the labor provision. It would not remove the other provisions with which the Senator is concerned. I suggest that we dismember this provision a little at a time. I would be glad to join with the Senator from Pennsylvania in removing other sections and doing a job of general surgery.

Mr. CLARK. I appreciate the Senator's consideration, but I say again his delicate surgeon's knife succeeds, if it does succeed, in taking out a part of the Morse amendment to which I have no serious objection, and leaving in the bill that part of the Morse amendment which I think would largely defeat the purpose of the bill. Therefore, I would like to murder the whole child and defeat the Morse amendment, lock, stock, and barrel, and go to conference with what I believe are the wise provisions of the bill that came out of the committee, with no provision against permitting a municipality to acquire a private company, where that was desirable, and it will be soon in my State, while at the same time giving every possible encouragement, as the provisions are written in the bill, to the continuation and to the health of the existing private properties so long as they can serve their people the way the mass transportation needs of their people require.

So, to recapitulate, I am opposed to the Tower amendment because the net result would be to leave in the Morse amendment those provisions in the bill which are inimical to the interests of many cities in my State, in that it would not permit a public body to acquire a private transit company with funds provided under this bill.

I yield back the remainder of my time.

Mr. TOWER. Mr. President, I simply wish to say to the Senator from Pennsylvania that I would very much like to have his vote on my amendment. If he will support my amendment, I will support him and try to defeat the whole provision. Of course, I am going to vote that way anyway.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. CLARK. It seems to me that is the kind of arrangement between Pennsylvania and Texas which should not be made on the floor of the Senate.

Mr. TOWER. I think the Senator is correct.

I yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I tried unsuccessfully the other day to amend the whole section out, not because, as I said, I am opposed to arrangements between cities and other organizations, but because of my fear of this pattern of preempting State law. Having failed in my effort to have that subsection amended out of the bill, I must say I greatly prefer that subsection to the one offered by the Senator from Oregon [Mr. MORSE].

I think one feature of his amendment alone should cause all my colleagues apprehension, and I refer to the language beginning on line 24 of page 3 of his amendment: "which shall in no event provide benefits less than those established pursuant to the provisions of section 5(2) (f) of the Interstate Commerce Act."

Section 5(2) (f) prohibits the firing of any person for 4 years after a transfer has been made. This means a man can be totally inefficient, can be drunk on duty, can be a dangerous driver, can pile up a bad record, and yet the city cannot get rid of him because of the provision of the act to which the Senator's amendment refers.

I think this feature alone should cause my colleagues to vote for the Tower amendment.

As I have said, objectionable as the labor section is, I would much prefer to have the one prepared by the committee than the one offered by the Senator from Oregon.

I know he feels sincerely and honestly that this provision will not do damage to State law, but I have not been convinced, from the legislative history, and I am not sure he has been, that it will not. Doing damage to State law has become a habit in this body. I think we do violence to our oath to protect the Constitution when we constantly pass measures that destroy local and State law.

For that reason, I think the Morse amendment is an extremely dangerous amendment, one that would place the entire concept of States' rights in jeopardy. Therefore, I am urging my colleagues to vote for the Tower amendment.

Should the Tower amendment prevail, then we can go to work on the other part of it, if other Senators so desire.

I think the Senator from Texas has done a real service on the floor of the Senate in pointing out the weaknesses of the bill—and there are many of

them—but particularly in this field, where there is so much danger of preemption of State law, and where we are hamstringing the rights of people, particularly management, when we tell them they must keep employees for 4 years after arrangements for transfer to a public transit system.

Mr. TOWER. I thank the Senator.

Mr. President, I am prepared to yield back the remainder of my time on the amendment.

Mr. WILLIAMS of New Jersey. Mr. President, no Senator on this side seeks recognition, and I therefore yield back the remainder of my time.

Mr. MORSE. Mr. President, I yield back the remainder of my time.

Mr. WILLIAMS of New Jersey. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Texas [Mr. Tower] to the amendment offered by the Senator from Oregon [Mr. MORSE]. The yeas and nays have been ordered.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. Will the Chair restate the proposition before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas to the amendment offered by the Senator from Oregon. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. DIRKSEN. If this is a parliamentary inquiry, I should like to have the Chair advise me whether I correctly understand that the amendment of the Senator from Texas would strike out the second half of the so-called Morse amendment.

The PRESIDING OFFICER. It would strike out that portion of the Morse amendment that is found on page 3, beginning in line 9, through line 8 on page 4. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from California [Mr. ENGLE], the Senator from Tennessee [Mr. GORE], the Senator from Washington [Mr. MAGNUSON], the Senator from Utah [Mr. MOSS], the Senator from Florida [Mr. SMATHERS], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

On this vote, the Senator from California [Mr. ENGLE] is paired with the Senator from Utah [Mr. BENNETT]. If present and voting, the Senator from California would vote "nay," and the Senator from Utah would vote "yea."

On this vote, the Senator from Washington [Mr. MAGNUSON] is paired with the Senator from Colorado [Mr. DOMR-

NICK]. If present and voting, the Senator from Washington would vote "nay," and the Senator from Colorado would vote "yea."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Kansas [Mr. CARLSON], and the Senator from Colorado [Mr. DOMINICK] are absent on official business.

On this vote, the Senator from Utah [Mr. BENNETT] is paired with the Senator from California [Mr. ENGLE]. If present and voting, the Senator from Utah would vote "yea," and the Senator from California would vote "nay."

On this vote, the Senator from Colorado [Mr. DOMINICK] is paired with the Senator from Washington [Mr. MACNUSSON]. If present and voting, the Senator from Colorado would vote "yea," and the Senator from Washington would vote "nay."

The result was announced—yeas 23, nays 68, as follows:

[No. 38 Leg.]

YEAS—23

Allott	Hickenlooper	Pearson
Byrd, Va.	Holland	Robertson
Cotton	Hruska	Simpson
Curtis	Jordan, N.C.	Stennis
Dirksen	Jordan, Idaho	Thurmond
Eastland	Mechem	Tower
Ervin	Morton	Williams, Del.
Goldwater	Mundt	

NAYS—68

Aiken	Hartke	Miller
Anderson	Hayden	Monroney
Bartlett	Hill	Morse
Bayh	Humphrey	Muskie
Beall	Inouye	Nelson
Bible	Jackson	Neuberger
Boggs	Javits	Pastore
Brewster	Johnston	Pell
Burdick	Keating	Prouty
Byrd, W. Va.	Kefauver	Proxmire
Cannon	Kennedy	Randolph
Case	Kuchel	Ribicoff
Church	Lausche	Russell
Clark	Long, Mo.	Saltonstall
Cooper	Long, La.	Scott
Dodd	Mansfield	Smith
Douglas	McCarthy	Sparkman
Edmondson	McClellan	Symington
Ellender	McGee	Talmadge
Fong	McGovern	Williams, N.J.
Fulbright	McIntyre	Young, Ohio
Gruening	McNamara	Young, N. Dak.
Hart	Metcalf	

NOT VOTING—9

Bennett	Engle	Moss
Carlson	Gore	Smathers
Dominick	Magnuson	Yarborough

So Mr. Tower's amendment to Mr. Morse's amendment was rejected.

Mr. MORSE. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. HUMPHREY. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to reconsider was laid on the table.

Mr. HUMPHREY. Mr. President, on the question of agreeing to the Morse amendment, I ask that the yeas and nays be ordered.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. ROBERTSON. Mr. President, on the question of passage of the bill, I ask that the yeas and nays be ordered.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Does the Morse amendment remain open to amendment, notwithstanding the ordering of the yeas and nays?

The PRESIDING OFFICER. Yes.

RATIFICATION BY NEBRASKA LEGISLATURE OF THE ANTI-POLL-TAX AMENDMENT

Mr. TOWER. Mr. President, I ask unanimous consent that the Senator from Nebraska [Mr. HRUSKA] be recognized, to make a statement, and that the time he uses not be charged to the time available to either side under the agreement.

The PRESIDING OFFICER. Is there objection? The Chair hears none; and it is so ordered.

Mr. HRUSKA. Mr. President, I take great pride in announcing that this morning the Nebraska unicameral Legislature ratified the proposed 24th amendment to the Constitution of the United States, the anti-poll-tax amendment, by a vote of 41 to 0, with two members absent, making it the 30th State to ratify the amendment.

Just a little more than 1 year ago, the Senate passed the joint resolution which permitted the States to ratify this amendment. At that time, my colleague, Senator CURTIS, and I joined the Senator from Florida [Mr. HOLLAND] and many other Senators in supporting the joint resolution. In brief, this proposal provides that the right to vote in elections of national officers shall not be denied on account of failure to pay any poll tax or other tax.

Thus, the unanimous approval by the Nebraska unicameral Legislature is most gratifying to me. It signifies the respect which Nebraskans have for the right to vote. Also, it is a tribute to the distinguished Senator from Florida [Mr. HOLLAND] for the effective leadership he provided this very important amendment; and I wish to pay him that tribute, as I believe the Legislature of Nebraska did earlier today.

Mr. HOLLAND. Mr. President, under the same arrangement, may I be recognized for several minutes?

The PRESIDING OFFICER. Without objection, the Senator from Florida is recognized.

Mr. HOLLAND. Mr. President, first, I express my sincere thanks to the distinguished Senator from Nebraska for his very kind words about me. I wish to repeat that sentiment with reference to the unicameral Legislature of Nebraska. If the action it took today by unanimous vote is indicative of what can be expected of unicameral legislatures, perhaps there will be more of them in the days ahead.

Mr. President, I wish to pay my very appreciative thanks, in particular, to the Senators from Nebraska [Mr. HRUSKA and Mr. CURTIS]. Both of them joined in sponsoring my resolution proposing this important amendment to the Constitution, and both of them voted

for it. They have been exceedingly diligent in carrying this matter to the members of their State legislature and before the people of their State. It goes without saying that the favorable action taken today by the Nebraska Legislature depended greatly upon their effective leadership and action.

Therefore, Mr. President, I take this occasion not only to thank them, but also to say again that this action illustrates the completely bipartisan nature of the amendment and of the support it has received.

I thank my distinguished friends.

URBAN MASS TRANSPORTATION ACT OF 1963

The Senate resumed the consideration of the bill (S. 6) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes.

Mr. TOWER. Mr. President, I yield 15 minutes on the bill to the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN].

The PRESIDING OFFICER. The Senator from Illinois is recognized for 15 minutes.

Mr. DIRKSEN. Mr. President, I address my remarks particularly to the distinguished Senator from Oregon [Mr. MORSE], the author of the pending amendment, on which the yeas and nays have been ordered, and on which we shall vote directly.

I am a little curious about a portion of the amendment which provides that certain conditions must be met if the assistance is to be received; and one of them is that the required facilities either be bankrupt or be in receivership, as declared by a court of competent jurisdiction.

Mr. President, now that we have reached that point, I wonder whether such a provision would act as a bailout of defunct property while operating in bankruptcy, in that one of the conditions for obtaining the assistance is that it go into bankruptcy. I gather that there are transportation systems which are operating on a thin edge. If I do not misunderstand this situation, such a provision would be an invitation in such circumstances simply to go into bankruptcy, and thus become eligible, upon compliance with the other conditions recited in the Morse formula.

The second condition is that the acquired property must be essential to a mass transit system. Why should we write into the bill a provision that a system can be bankrupt and in receivership as a condition for assistance under a policy bill dealing with mass transit? Such a provision intrigues me no end.

In the first part of the formula there is also a provision that the Secretary of Labor and the Administrator must act jointly on these questions. If I were writing the provision and were in support of the bill, I would be pretty careful

about a joint operation and a joint termination, because I can see in such operation no end of trouble when we are dealing with a complicated subject such as mass transportation.

But the second part of the amendment, which would amend the language appearing on page 26, is even more interesting. I do not find a phrase or an expression that relates to the public interest.

For example, we find reference in the bill to protection of the interests of employees affected by such assistance or financing. There is no indication of the public interest. It will have to come from those who ride the systems. The question is, Is the sky the limit in order to provide protection?

Nothing is said in the bill about the public interest. The bill should be amended in line 16, after the word "financing," to include the words "to the extent that it is consistent with the public interest."

We read a little further in the second part of the amendment and we discover that there must be a preservation of the rights, privileges, and benefits, including the continuation of pension rights and benefits, of all beneficiaries. Many of the systems have established pension systems. Everyone knows that officers, directors, and higher echelon employees are always placed in a much higher pension category. What I should like to know is whether the president, the vice president, and the managing and executive personnel who may have pension benefits targeted on amounts such as \$50,000, \$60,000, or \$70,000, would receive the benefits of public funds under the provision which provides that all beneficiaries shall be protected.

Mr. President, I will not vote any authority or any public funds for such purpose. The heads of transit systems may be skating on thin ice. Their pension rights may have been determined long ago. After a certain number of years, the sums are rather fancy. Yet the proposed language would require that the rights and benefits of all beneficiaries shall be preserved.

I call attention to another item which appears in the bill. On page 3, line 21, the provision would apply "under existing collective bargaining agreements, or otherwise."

I have always had a rather precise notion about the English language. But I invite anyone to explain what the words "or otherwise" mean. They may cover a multitude of sins before we are through.

Thus far I have heard no explanation on the floor of the Senate as to what to two words "or otherwise" may include.

Another provision on page 3 provides that:

The protection of individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to the provisions of section 5(2)(f) of the Interstate Commerce Act.

If I remember correctly, that if an employee works 2 years, he is entitled to an additional 2 years. If he works 4 years, he is entitled to a second 4 years.

Is the proposal a bundle of feathers? We recently got through with featherbedding. Three years ago I introduced a bill. The Judiciary Committee conducted hearings on it. The bill was designed to relieve some of our carriers of the massive expenses resulting from featherbedding.

We could not obtain action on the bill in this body. The other body would not act on the bill. It remained for the Supreme Court to look at the inequity of the situation. Yesterday an order was issued which is expected to provide as much as or more than \$600 million, not in benefits, but in easing of the burdens of the carriers because of rigid featherbedding.

If Senators desire to read some enriching testimony, I suggest that they read the findings of the Commerce Commission of the State of North Dakota. At one time way stations were established along railroad lines. Their distance apart was measured by how far a team and wagon with a load of grain could travel to and from a farm in a given day. Many of those way stations were set 6 miles apart. That is where the country elevator was built. The operator of the station may still be there. The testimony shows that in many cases, for as much as 15 minutes a day, an employee receives a full day's pay. There was no relenting in that equity until a case went from the district court in Chicago to the Court of Appeals for the Fourth Circuit and then to the Supreme Court of the United States.

We will never save the carriers and enable the railroads or any kind of transit system in our country to operate efficiently, if we put that kind of burden on them.

Railroads such as the B. & O., the Pennsylvania, the Illinois Central, the Milwaukee System, and the Chicago & Northwestern are all operating transit systems and carrying commuters. I suppose the New York, New Haven & Hartford is in difficulty today largely on account of their commuter system. When we think of the transportation problem, we must think of the whole problem. Yet what is the approach?

Pending now before the Committee on the Judiciary is a bill which would freeze mergers until the 31st of December 1963. The bill was introduced by the distinguished Senator from Tennessee [Mr. KEFAUVER].

The Senator from Nebraska [Mr. HRUSKA] and I fought the bill to a standstill. There were hundreds of pages of hearings.

The bill was introduced again in the present Congress. A jurisdictional dispute developed, but the Committee on the Judiciary has jurisdiction and there will be hearings.

The New York Central Railroad and the Pennsylvania Railroad are begging, entreating, and supplicating the Interstate Commerce Commission to let them go through with their merger in order to impart health to those systems. If we will quit abusing them with a club, we shall not need the bill that is before us today, with its handouts.

In one breath we belabor the railroads with a club, and then we come along with a bag of sugar candy, as if that would do the job.

On page 4 of the Morse amendment another provision appears to which I should like to call attention:

(4) assurances of employment to employees of acquired mass transportation systems by the acquiring or operating entities—

What is the general purpose of this bill, if it is not consolidation and efficiency? How will that be achieved, unless some jobs are abandoned in the process? How could people be assured? Suppose they are not needed. Suppose in the case of motormen 100 are lost. What will be done with them? Where will they be put?

This refers to assurances of employment by the operating entities and to priority of employment or reemployment of employees terminated or laid off. That is pretty loose language. I would hate to be confronted with that kind of responsibility, Mr. President if I were going to direct one of these mass transit operations.

Then there are to be paid training or retraining programs. What is to be the limit in terms of money? What is to be the limit in terms of the kind of retraining involved? Shall we go all over the whole field? Would that solve the problem? I have grave doubts.

This is filled with a lot of uncertainty. I must say that the language of the Magnuson proposal is not much better except of course that there is no provision that a bankrupt outfit could get the benefits of the bill.

That is as clear as crystal for anybody to read, "such company has, prior to such acquisition, been declared bankrupt." If that is not an open invitation to go into receivership I give up.

We have some of those situations out home but that does not mean that I have to bail them out with the taxpayers' money or ultimately with the money of the people who are to ride on these systems. That is the public.

I defy Senators to find a line in the Morse amendment that even mentions the public interest. Why that term has been glorified. It has been embroidered. It has been couched in eloquent language on this floor—the public interest.

I ask Senators to find that in the Morse amendment.

I do not want to go down that road. I am not going down that road.

The sensible thing would be not only to send this back to the committee but also to embrace a proposal offered yesterday to let the whole problem go to the Commerce Department, where it belongs, instead of to the Housing and Home Finance Agency, and to let that Department give some real study to it and come up with something quite worthwhile.

THE PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. TOWER. Mr. President, I yield 3 more minutes to the Senator from Illinois from the time on the bill.

Mr. DIRKSEN. Finally, Mr. President, we ought to have a better estimate

as to where lies, really, the end of the road. The Administrator himself before the committee estimated a cost of more than \$9 billion for this program. His estimate falls far short of the mark. Year after year, under the impulses of inflation, wages and the costs of materials go higher and higher. I do not believe we could consummate that program finally for \$20 billion, and I am not going to plow that long furrow until I feel reasonably sure where the end will be, or at least some kind of end, because this is going to be a gargantuan burden before we get through.

Mr. President, it seems to me that every dictate of prudence should persuade the Senate not only to defeat the Morse amendment but also to defeat the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon.

Mr. MORSE. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 2 minutes.

Mr. MORSE. I have made my case against the argument of the Senator from Illinois already today. As to the first point the Senator raises, we have a great dilemma in this debate. There is great concern on the part of many in the Senate about using the bill to enable State governmental agencies to force the purchase of a transit company upon its private owners. We have taken the position that we are not going to be a party to that action. If there is a situation in which a transit company is going bankrupt, has gone bankrupt, or is in receivership, then we think the Administrator should be in a position to make the decision as to whether it is in the public interest for a city which wants to buy that kind of transit company to buy it.

My amendment would make that possible. I tried to make clear earlier today that my amendment would not make it possible for a city to force a transit company to sell when it did not want to sell by getting Federal money it could use in the purchase of that company.

I think that is a pretty good position for us to take. It is a position that meets the objections which many earlier made in respect to the bill.

Now, as to all the arguments which the Senator from Illinois has made as to what the bill would continue, I only repeat that it would continue the status quo. Whatever the labor relations situation is now, it should be continued. What the Senator from Illinois has really proposed is that, without an hour's hearing, we should pass within this bill major labor legislation. He has had much to say about a make-work program.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. MORSE. Mr. President, I yield myself 1 more minute.

As I said earlier, we have problems about make-work programs. We shall have to handle them legislatively and

administratively in the next months and a few years in this country, and that ought to be done as a result of legislation designed to handle the problem. We should not pass a transit bill which has a sleeper provision in it which would take away from labor, without any hearing whatsoever or any opportunity to consider proof, hard-won rights which have been won over the years through collective bargaining.

I repeat, as I close, the answer to the Senator from Illinois is that we would extend the status quo so far as transit companies are concerned. We still would have before us the problem of settling the labor problems by way of separate hearings and legislation.

Mr. JAVITS. Mr. President, will the Senator from Alabama yield 2 minutes to me, so that I may ask the Senator from Oregon a question?

Mr. MORSE. I should be glad to yield to the Senator from New York.

The PRESIDING OFFICER. Does the Senator from Alabama yield further time?

Mr. SPARKMAN. Mr. President, I yield 2 minutes from the time on the bill to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York may proceed for 2 minutes.

Mr. JAVITS. I thank the Senator from Alabama.

I should like the Senator from Oregon to tell us one thing.

It seems to me that, apart from the clauses in the amendment relating to the acquisition of private companies, the amendment would add one thing to the labor clauses already in section 19(c) of the bill and that is the so-called Washington agreement, which is incorporated in section 5(2)(f) of the Interstate Commerce Act. I understand that that section has been made a part of the RECORD, but, to be sure, I ask unanimous consent that it may be included with my remarks at this point.

Mr. MORSE. I have already put that in the RECORD, but I think it should be included now.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

(f) As a condition of its approval, under this paragraph (2), of any transaction involving a carrier or carriers by railroad subject to the provisions of this part, the Commission shall require a fair and equitable arrangement to protect the interests of the railroad employees affected. In its order of approval the Commission shall include terms and conditions providing that during the period of 4 years from the effective date of such order such transaction will not result in employees of the carrier or carriers by railroad affected by such order being in a worse position with respect to their employment, except that the protection afforded to any employee pursuant to this sentence shall not be required to continue for a longer period, following the effective date of such order, than the period during which such employee was in the employ of such carrier or carriers prior to the effective date of such order. Notwithstanding any other provisions of this Act, an agreement pertaining to the protection of the interests of said employees may hereafter be entered into by any carrier or carriers by railroad and the duly author-

ized representative or representatives of its or their employees.

Washington agreement, May 21, 1936: Employees affected solely by or in anticipation of a "coordination." Does not apply to employees affected solely by other causes. Employee not regarded as deprived of employment in case of death, resignation, retirement, dismissal for cause, furlough because of reduction of forces due to seasonal requirements of service, or if not affected within 3 years of coordination.

Mr. JAVITS. The Senator from Arizona, when he argued this matter, said that would compel us to continue the employment of a man who might be a drunkard, who might be a bad driver, who might have some reason for being fired under the normal work rules.

As I understand the language, so that the language may be clear, the so-called Washington agreement uses the following operative words: that the employees shall not be "in a worse position with respect to their employment."

Does the Senator construe that to mean—this is the way I construe it—that all the normal work rules and practices in effect at present under collective bargaining would remain fully in effect? It would not mean that a man could not be fired for proper cause as he can under present conditions. It would merely mean that he shall not enjoy a worse tenure than he enjoys now under a collective bargaining agreement or any other agreement or arrangement.

Mr. MORSE. The Senator from New York has put more clearly and potently than has the Senator from Oregon exactly the position of the Senator from Oregon. That is what the amendment means.

Mr. JAVITS. Does the Senator mean that the only thing added by the labor aspect of the provision is the Washington agreement?

Mr. MORSE. That is correct.

Mr. JAVITS. Other than that, we are dealing with acquisition of private companies, and so forth?

Mr. MORSE. Yes.

Mr. JAVITS. The Senator has gone a long way to meet the worries of persons like myself in the way the amendment is drafted. I certainly am glad to associate myself in support of the amendment.

Mr. TOWER. Mr. President, I yield myself 1 minute from the time on the bill.

I point out that the inclusion of the reference to section 5(2)(f) of the Interstate Commerce Act is not the only change. I call the attention of Senators to protective arrangement No. 2. The bill as we now have before us contains the language: "the encouragement of the continuation of collective bargaining rights."

The Morse amendment reads: "the continuation of collective bargaining in any situation where it now exists."

That is an important and significant change.

Mr. MILLER. Mr. President, will the Senator yield to me?

Mr. TOWER. I yield 1 minute on the bill to the Senator from Iowa.

Mr. MILLER. Mr. President, I have at the desk an amendment, to the Morse

amendment which I now call up and ask to have stated, and which I offer on behalf of myself and the Senator from Texas [Mr. Tower].

The PRESIDING OFFICER (Mr. Brewster in the chair). The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. It is proposed to insert, after the comma on line 14, page 3, of the Morse amendment, the following: "and not inconsistent with the laws of the State in which the project or a portion of the project is located."

Mr. MILLER. Mr. President, this amendment by the Senator from Texas and myself is the same amendment we proposed 2 days ago to apply at page 26 of the main bill. We did it in an effort to make absolutely certain that the statements by the Senator in charge of the bill and some of the proponents of the bill, namely, that it was not intended that State law be usurped directly or indirectly by this legislation, would be effective.

I am happy to point out that the distinguished Senator from Alabama [Mr. Sparkman], who is handling the bill, voted for the amendment. He carried out his commitment, that it was his intention that the bill not supersede State law, by supporting the amendment. I regret to say that there were only 36 votes in support of the amendment. I suggest that some Senators who voted against the amendment might have had difficulty in voting against it in view of the statement made that it was not intended, directly or indirectly, to supersede State law.

All this amendment does is to make absolutely certain that where there is a State law which is inconsistent with the standards established by the Administrator and the Secretary of Labor, the State law will not be superseded or overridden.

It is all very well and good to say that a State does not have to take this aid; that it can go on with an inconsistent provision and not receive aid from the Federal Government. But I do not think that is fair, and it certainly is an indirect way of having Federal law supersede State law.

While some of us may not have great concern about State law being superseded in the areas itemized on page 3 of the Morse amendment, the language "without being limited to" opens it up to an unknown quantity.

All that the amendment which I have offered proposes to do is carry out what the Secretary of Labor expressed as an opinion as to what would be the case and, what the proponents of the main bill have stated is their intention.

The PRESIDING OFFICER. Does the Senator from Iowa yield back the remainder of his time?

Mr. MILLER. I shall be happy to yield the floor for questions or comments on my amendment. I do not wish to yield back the remainder of my time as yet.

Mr. MORSE. Mr. President, I hope the amendment to my amendment will be defeated, because the subject matter of the amendment was the subject of

rather extensive debate earlier today, in which it was pointed out that the only time a transit company would be taken over would be in a case in which it is bankrupt, or is in receivership, or is fast growing defunct, and the Administrator feels it is in the public interest that it be taken over. Only in those situations could public money be made available by the Administrator for the takeover.

That provision protects the private enterprise system from having pressure put on it, vis-a-vis Federal funds, to force the private company to go out of business.

Earlier in the day we discussed the hypothetical case of a need to take over a company which has a collective bargaining agreement with its employees, but where there is a State law which prohibits the municipality, for example, from bargaining with the employees. We said that if such a situation should exist, in those limited cases—and they would be few and far between—Federal money could not be made available unless it was done by use of the Memphis formula. We discussed the Memphis formula. Also it might be done in line with the possible use of the Atlanta, Ga., case.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MORSE. I yield myself another 2 minutes.

We are still waiting to learn whether or not the Atlanta, Ga., case is an appropriate hypothetical case, because we have not been able to ascertain whether or not there is such a law in Georgia. But let us assume there is.

The Memphis formula involves a situation in which a transit line is publicly owned, but in which there is a law which prohibits collective bargaining with the union. However, use has been made of the device of establishing a private managerial commission to operate the line; and the private commission, under contract with the city, handles labor relations and can enter into collective bargaining with the employees.

I want to be very frank as I say this today: In rare cases in which local law prohibits collective bargaining, Federal money would not be available, because it would be in conflict with the policy of the bill.

I have just been informed that the Georgia law does not prohibit collective bargaining by the cities, and therefore the Georgia case has been removed from the debate.

The only situation we have is the hypothetical case that I have discussed, in which there might be a line that is defunct, or is going defunct, which the city wants to take over, and in which there is a State law which prohibits the municipality from having a collective bargaining agreement with the employees of the system, in the event the municipality takes over the private company, whereas the provision of the bill is that the agreement must be continued. But in that situation all a city needs is a good lawyer, such as the city of Memphis had. It established a private commission, under a contract by which the pri-

vate commission operates the line and has an agreement with the employees.

I hope the pending amendment will be defeated, because it would cause great confusion.

Mr. MILLER. Mr. President, I yield myself 1 minute. The Senator from Oregon has pointed out that a singular type of situation might arise, but I suggest that the phrase "without being limited to" opens this subject up to an unknown quantity, and that the singular situation to which the Senator from Oregon has referred could be very widespread. I can see no harm to the legislation resulting from the adoption of the amendment. I think the fact that the other day there were 36 votes in favor of the amendment to the main bill, which was supported by the Senator in charge of the bill, pretty well speaks for itself.

I hope my amendment will be adopted.

I will not press for a yea-and-nay vote on the amendment.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. MILLER. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. Miller].

The amendment was rejected.

The PRESIDING OFFICER. The question now recurs on the amendment offered by the Senator from Oregon [Mr. Morse]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Tennessee [Mr. Gore], the Senator from Utah [Mr. Moss], the Senator from Florida [Mr. Smathers], and the Senator from Texas [Mr. Yarbrough] are absent on official business.

Mr. KUCHEL. I announce that the Senator from Utah [Mr. Bennett], the Senator from Kansas [Mr. Carlson], and the Senator from Colorado [Mr. Dominick] are absent on official business.

If present and voting, the Senator from Utah [Mr. Bennett] and the Senator from Colorado [Mr. Dominick] would each vote "nay."

The result was announced—yeas 52, nays 41, as follows:

[No. 39 Leg.]

YEAS—52

Alken	Hartke	McNamara
Anderson	Hayden	Metcalf
Bartlett	Humphrey	Morse
Bayh	Inouye	Muskie
Beall	Jackson	Nelson
Bible	Javits	Neuberger
Brewster	Johnston	Pastore
Burdick	Keating	Pell
Byrd, W. Va.	Kefauver	Prouty
Cannon	Kennedy	Proxmire
Case	Kuchel	Randolph
Cooper	Long, Mo.	Ribicoff
Dodd	Magnuson	Saltanstill
Douglas	Mansfield	Symington
Edmondson	McCarthy	Williams, N.J.
Engle	McGee	Young, Ohio
Gruening	McGovern	
Hart	McIntyre	

NAYS—41

Allott	Elender	Jordan, N.C.
Boggs	Ervin	Jordan, Idaho
Byrd, Va.	Fong	Lausche
Church	Fulbright	Long, La.
Clark	Goldwater	McClellan
Cotton	Hickenlooper	Mecham
Curtis	Hill	Miller
Dirksen	Holland	Monroney
Eastland	Hruska	Morton

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Mundt	Simpson	Thurmond
Pearson	Smith	Tower
Robertson	Sparkman	Williams, Del.
Russell	Stennis	Young, N. Dak.
Scott	Talmadge	

NOT VOTING—7

Bennett	Gore	Yarborough
Carlson	Moss	
Dominick	Smathers	

So Mr. MORSE's amendment was agreed to.

Mr. MORSE. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LONG of Louisiana. Mr. President, I call up my amendment 22 and ask that it be read.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, between lines 21 and 22, it is proposed to insert the following new subsection:

(d) No part of any appropriated funds may be expended pursuant to authorization given by this Act for any technological research or development activity unless such expenditure is conditioned upon provisions determined by the Administrator, with the approval of the Attorney General, to be effective to insure that all information, uses, products, processes, patents, and other developments resulting from that activity will (with such exceptions and limitations as the Administrator may determine after consultation with the Secretary of Defense to be necessary in the interest of the national defense) be made freely and fully available to the general public. Nothing contained in this subsection shall deprive the owner of any background patent relating to any such activity of any right which that owner may have under that patent.

Mr. LONG of Louisiana. Mr. President, I yield myself 5 minutes.

On pages 9 and 10 of the bill provision is made for a considerable amount of research and development to be done by Government financing. My amendment follows the precedent which Congress has followed on other occasions with respect to the Department of Agriculture, the Department of the Interior, the coal research bill, the helium gas research bill, the Atomic Energy Commission, and the practice in the Federal Aviation Agency, which provides that when Federal money is spent upon research, the benefits of that research will be made fully available to the people of the country.

My amendment is designed to prevent the sort of thing which occurs in some departments, when a contractor is permitted to have a private patent upon the fruits of the research and either charge a higher fee or deny the benefits of the patent completely to the people of the country in general.

So the purpose of the amendment is to make certain that in spending research money, the benefits of the research will be made available to all the people of the country and to all communities which are sought to be benefited by the bill.

To my knowledge, this proposal was not considered by the committee. I believe that if it had been considered by the committee, the committee would

have included in the bill language to cover this situation, just as the Committee on Interior and Insular Affairs, the Committee on Agriculture and Forestry, and other committees have cared for this type of proposal in considering measures relating to research.

I believe the managers of the bill will agree to accept the amendment. I hope that it will be agreed to.

Mr. SPARKMAN. Mr. President, as I understand, a similar amendment has been added to several pieces of legislation in recent years. I am willing to accept the amendment; I think it is a good one.

Mr. LONG of Louisiana. I believe it has been added to every piece of legislation authorizing research that has been passed by Congress.

Mr. SPARKMAN. As I understand, that is correct.

Mr. KEFAUVER. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. KEFAUVER. Several Senators have been considerably alarmed by the fact that language similar to this is in the Space Agency Act—the act creating NASA. Whereas contractors receive, on a cost-plus basis, 7 percent for doing research and development, the act intends that the fruits of the research, in the form of patents, should be the property of the United States. However, the Administrator of NASA has apparently been trying to promulgate rules which would enable him to give patents to the contractors, in addition to the 7 percent they receive on a cost-plus basis. The Senator from Louisiana has taken the lead in opposing that practice, and I have joined him. However, hearings were called for when Congress was not in session, and no one from the legislative branch was present to protest.

Is the amendment of the Senator from Louisiana worded so that there will not be a repetition of what is sought to be done by the Space Agency in connection with patents?

Mr. LONG of Louisiana. I am familiar with the problem in NASA. In that instance, the Administrator of the Agency has the power to waive patent rights if he finds such action to be in the national interest. What the Administrator of NASA proposes to do is to find that a monopoly is in the national interest as a general rule; and to waive patent rights in general in all cases in which it can be established in advance that patent rights should be waived.

The language of my amendment is more closely drawn. The language in the NASA Act was a compromise. I believe it satisfies no one. The language of this amendment is drawn strictly on the principle that the public is entitled to the full benefit of information derived from Government research.

Mr. KEFAUVER. Is it not true that NASA, having failed to have the legislation amended so that it could give away patent rights, is attempting to do so by regulations?

Mr. LONG of Louisiana. I regret to say that that seems to be the situation.

Mr. KEFAUVER. I congratulate the Senator from Louisiana upon his amend-

ment. It is drawn so that there will not be a repetition of that kind of action.

Mr. LONG of Louisiana. I believe that to be the case.

Mr. ANDERSON. Mr. President, I desire to compliment the Senator from Louisiana upon his diligence in this field and to thank him for offering the amendment.

Mr. MAGNUSON. Mr. President, will the Senator from Louisiana yield 2 minutes to me?

Mr. LONG of Louisiana. Mr. President, I yield 2 minutes to the Senator from Washington.

Mr. MAGNUSON. Mr. President, as I understand, with all amendments disposed of, the bill now contains five amendments which were recommended by the Committee on Commerce.

Mr. SPARKMAN. The Senator is correct.

Mr. MAGNUSON. I desire to take this opportunity to express my deep appreciation to the subcommittee on Surface Transportation for its expeditious handling of the bill in the Committee on Commerce. I especially wish to thank the distinguished Senator from South Carolina [Mr. THURMOND], chairman of the subcommittee, who was opposed to the bill and will vote against it.

I pay my sincere compliments to the distinguished Senator from Nevada [Mr. CANNON] for his remarkably fine presentation of the bill in so short a time; and to Mr. Levin, our able assistant, who helped us all the way.

I urge the Senate to pass the bill, so that it may accomplish the purpose for which it was introduced.

Mr. THURMOND. Mr. President, will the Senator from Texas yield me 3 minutes?

Mr. TOWER. I yield 3 minutes to the Senator on the bill.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 3 minutes.

Mr. THURMOND. Mr. President, as I stated in my individual views in the Commerce Committee report on this legislation, I am opposed to enactment of the urban mass transit legislation. This proposal deals primarily with transportation, and yet the Commerce Committee was allowed slightly less than 2 weeks to consider it. The field of transportation falls entirely within the realm of responsibility of the Commerce Committee. During this short period, hearings were held by the Surface Transportation Subcommittee and every attempt was made to amend the bill so as to make it more consistent with a strong and vibrant national transportation policy.

The basic objective of our Nation's transportation system is, in the words of President Kennedy, "to assure the availability of the fast, safe, and economic transportation services needed in a growing and changing economy to move people and goods at the lowest cost consistent with health, convenience, national security, and other broad public objectives." This pronouncement by the President is certainly the objective which we all seek to achieve for our Nation's transportation system. As is usually the

case, however, although there is no disagreement as to the basic objective in mind, there are many and varied opinions as to the method of achieving this objective. Last year, the Secretary of Commerce, Hon. Luther H. Hodges, in a hearing before the Senate Commerce Committee, stated the basic principle of the Department of Commerce in striving to achieve this goal. He said:

We believe that this basic objective can and must be achieved primarily by continued reliance on unsubsidized, privately owned facilities, operating under the incentives of private profit.

Mr. President, I wholeheartedly subscribe to the underlying principle contained in this statement, and it is my belief that this urban mass transit legislation fails to meet the test prescribed by the Secretary of Commerce.

There is no constitutional authority for the National Government to enter this field of activity, which is purely local in nature. There have been very few attempts to justify this activity under the Constitution for the obvious reason that any argument must fall of its own weight. Certainly it does not fall within the scope of the commerce clause of the Constitution, and the welfare clause was never intended to cover expenditures for such activities as this. Had the welfare clause been intended to cover such a broad area, there would have been no necessity for the specific enumeration of delegated powers to Congress, which are found in article I, section 8 of the Constitution. Also, had the welfare clause been intended to cover such a broad scope, the 10th amendment would have been meaningless, for the National Government would have had all powers under the welfare clause and there would have been no powers to reserve to the States and to the people.

The urban mass transit proposals would violate the organizational structure of our federated system of government. Municipalities are subdivisions of States, although the States are not subdivisions of the National Government. The Congress should not deal directly with a subdivision of a State. If the pending bill shall be enacted, it will mean that the State governments will be bypassed and the local communities will be required to place more reliance on the National Government. This would, in effect, accomplish the same purpose which the creation of the Cabinet position of the Department of Urban Affairs, which was defeated in the last session of Congress, would have accomplished. It would erode the principles upon which our Federal system is based and relegate the State governments to a position inferior to the National Government in questions affecting municipalities and urban areas.

The Federal aid made available under the terms of the bill would be advanced directly to the local municipalities for their use as they saw fit, as long as they complied with the regulations issued by the Administrator of the HHFA. This would, of necessity, result in Federal control to a large extent over the transit systems of municipalities and urban

areas. The funds would be made available to these municipalities and urban areas only on the condition that they complied with strict Federal regulations, without deviation. Such National Government intervention would result in complete control over this aspect of local governmental affairs. It is easy to visualize how complete control over this one area could be expanded over many other areas which would otherwise be under the control of the local governmental unit. Compliance with almost any request would be virtually assured by the threat of withholding funds for transit systems.

Mr. President, I submit that the subsidy program would set a precedent and would merely be the forerunner of what could be expected later. Without a doubt, such programs would be extended to cover interstate carriers and would increase National Government control to such an extent that the only alternative would be the complete nationalization of transportation systems.

Urban mass transit is not a national question. It is a local one, and should be left for local solution and local control. Municipalities can sell bonds, exempt from taxation by the National Government, to finance their own transit systems. All that this requires is that the citizens of the local areas recognize their problem and display the willingness to solve it locally. It would be unjust to saddle the entire economy with the tax burden which would be required upon approval of this legislation. The present state of our Nation's economy dictates the need for less Federal expenditures rather than more. While it is impossible to foresee the exact amount of expenditures which would result from enactment of this measure, it is quite apparent that the total could reach the \$10 billion mark, or possibly more.

Even if the National Government had jurisdiction to act in this field, and this authority is completely lacking, the funds which would be required are simply not available. After viewing the problem objectively, it is apparent that the United States cannot afford to spend this huge sum, considering the present state of our fiscal affairs.

Mr. President, very little research has been conducted in the area of urban mass transportation. The testimony before the Surface Transportation Subcommittee reveals a startling lack of knowledge in the field. Coupled with this is a sparsity of information as to the practical aspects of this plan. It would be foolish for Congress to authorize this vast expenditure of funds for programs which have never been investigated, and whose effectiveness has not been demonstrated and cannot be assured.

Mr. FONG. Mr. President, speaking relative to Senate bill 6, I want to say there is no doubt that a serious transportation problem does exist. The rapid growth of our cities has spawned many new suburban complexes, unsightly freeways, and inadequate and outdated mass transit facilities. Our population continues to increase steadily, and Americans are stepping up their migration

from rural to urban areas. These trends both point up and aggravate the problem of urban mass transportation.

I sympathize deeply with the millions of commuters who must daily spend several hours battling clogged highways and traffic jams.

Opponents of this measure are critical that the entire program is placed under the Federal Housing Administrator who is empowered to determine which plans the Government will underwrite and which it will not. It leaves too much to the arbitrary whim and discretion of the Administrator.

They also contend that enactment of this measure would be another attempt to solve municipal problems at the Federal level and would be another long step toward domination of essentially local responsibilities by the Central Government.

Many urban communities have already indicated a preference to resolve their transit problems without Federal grants. For example, voters in the San Francisco Bay area last year approved a \$792-million bond issue to finance an entirely new transit system without outside help. In Los Angeles, plans are already underway to finance a costly monorail system almost entirely from fare-box revenues. And so it goes, in many other cities as well—Boulder, Colo.; Cleveland, Ohio; Chicago, Ill.; the Greater St. Louis area in Illinois and Missouri.

For me, I am not overly concerned about these criticisms to the measure. However, I am greatly concerned with our financial plight and our large numbers of unemployed people.

In such a situation, every Member of Congress is obliged to set up priorities to determine which of the many worthwhile measures proposed before the Congress he can, consistent with fiscal responsibility, and in good conscience support.

We must be very careful to husband our resources, so that those resources which are available to meet our domestic problems must be applied only to those problems which are most pressing.

The domestic problem which looms as most critical is our ailing economy—large numbers of Americans who are unemployed, our shaky fiscal situation. The President himself has called this America's No. 1 problem; he has recognized this in the proposed budget for fiscal 1964, which calls for a reduction in Federal expenditures in those areas not related to national defense.

In spite of the limited 3-year authorization of \$375 million called for in the mass transit bill, there is little doubt that the program will cost billions of dollars over the next decade, with no end in sight. A report prepared for the Secretary of Commerce and the Housing Administrator has estimated that capital requirements alone in the next 10 years would total nearly \$9 billion.

Once the program is started, very few city administrations with a real or imagined transit problem will be able to resist the appeal of a free handout from Washington, no matter how able they might be to solve the problem on their own.

It would be fiscally irresponsible to talk about committing the Government to spending \$9 billion, at a time when our national budget faces a deficit of at least \$8.8 billion in the current fiscal year, and at least \$11.9 billion in fiscal 1964.

It would be financially disastrous to balloon the Federal debt beyond the present high level of \$300 billion, and add to the high interest costs the Federal Government already is paying on this tremendous indebtedness.

It would be economically unsound to enact at this time legislation which would substantially increase domestic expenditures on a matter which, while serious, is considerably overshadowed by the problems of our lagging economy.

The plight of our economy requires that a substantial tax cut be enacted this year, a reduction sizable enough to invigorate our national economy. A reasonable scale of priorities does not justify enactment of this \$375 million bill which eventually would cost \$10 billion and would threaten passage of a tax cut measure indispensable to strengthen our economy.

I should also point out that if this bill is enacted into law, my own State, Hawaii, would be required to pay all out of proportion to the benefits it would derive from Federal grants. Figuring on the basis of population, Hawaii's nearly 700,000 citizens would have a \$37 million bill over the next 10 years. The total assets of the Honolulu Rapid Transit Co., Ltd., according to the 1961 figures appearing in the Manual of Hawaii Securities, was valued at less than \$5 million. Based on these figures, the \$37 million that would be taken away from the people of Hawaii would be sufficient to replace the assets and facilities of the Honolulu Rapid Transit Co. seven times over.

I am quite sure that Hawaii's transit problems can be solved for far less than the \$37 million that this legislation will take from us. This, however, is not the overriding reason I am voting against this measure.

The primary reasons I am voting against this proposal are because of our great deficit and our need to cut taxes. I feel strongly that we must have a large tax cut this year to reinvigorate our economy and to cut down our large unemployment. For these reasons, I do not feel that I can at this time support the measure now under consideration.

Under more favorable economic circumstances, when we have recovered our economic vitality, reduced our unemployment, and at a time when we can again enjoy a forward surge along all economic fronts, the mass transit bill might more reasonably be considered. But under our present national economic stress, a national fiscal policy for sound economic growth requires that there be greater selectivity of our new nondefense spending programs.

The VICE PRESIDENT. If there be no further amendment to be proposed, do the Senators who are in charge of the time yield back the remainder of the time available to them?

Mr. SPARKMAN. I yield back the remainder of the time under my control.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment was agreed to.

Mr. TOWER. Mr. President, I shall yield back most of my time.

Let me say that I do not think the bill will be defeated—unfortunately—although I have labored in this vineyard for 4 days now, in an effort to obtain its defeat.

I believe everyone should understand what is at issue here. The question is not whether there is need for improvement of mass transportation facilities. We can assume that there is such need. The question is not whether there will be increased utilization as a result of such improvement. The issue here is that once more the Federal Government is invading the responsibilities of the people in their capacity as citizens of the local communities. We are constantly and steadily reducing the people of the country to a state of dependency on the Federal Government, to the extent that one day they will be completely subordinate to the Federal Government. We are weakening the moral fiber of our people by destroying their sense of local responsibility and initiative.

What else are we doing? At a time when we are piling deficit upon deficit and at a time when we are mortgaging the future of generations yet unborn, we are spending still more money—\$750 million in this case.

Mr. President, I submit that it is both economically unsound and immoral for us to saddle our children and their children with such debts that we may have things for ourselves. That is the basic consideration which is involved in this case; and perhaps some day the people will judge the actions we take in this Chamber on that basis.

Mr. President, I yield back the remainder of the time under my control.

The VICE PRESIDENT. All remaining time has been yielded back.

The question now is on the engrossment and third reading of the bill.

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

The VICE PRESIDENT. The question is, Shall the bill pass?

On this question, the yeas and nays have been ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may proceed for 2 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, we have spent 4 arduous days on this measure. I desire to take this occasion to commend the chairman of the subcommittee, the distinguished Senator from Alabama [Mr. SPARKMAN], for the managerial skill he has, as usual, displayed in the handling of the bill.

The Senator from New Jersey [Mr. WILLIAMS] is also entitled to high commendation, for his original sponsorship of the bill, and for his tireless efforts to amend it so as to assure its adoption.

The Senator from Pennsylvania [Mr. CLARK] worked assiduously to bring to

the floor of the Senate a bill which would benefit the urban areas of the country.

The distinguished Senator from Nevada [Mr. CANNON] has contributed mightily, because of his work in connection with the Commerce Committee amendments.

I extend praise also to the chairman of the Commerce Committee, the Senator from Washington [Mr. MAGNUSON].

I believe a great deal of credit should go to the Senator from Oregon [Mr. MORSE] for the skillful and talented way in which he handled the very difficult amendment which has been considered and approved by the Senate. As usual, he has displayed great skill, and discrimination in connection with these matters.

I also wish to commend the distinguished Senator from Ohio [Mr. LAUSCHE], who, although he was not in favor of the bill, made his fight, and then accepted the verdict the Senate rendered. I would say that in a sense he is responsible for bringing to the floor of the Senate a better bill, because of his initiative in having the bill considered by the Commerce Committee, after it had once been cleared by the Banking and Currency Committee.

Mr. President, I would be remiss in the performance of my duty if I did not commend and compliment the distinguished Senator from Texas [Mr. TOWER], who has led the opposition to the bill during the last 4 days, and who has comported himself with dignity and restraint. Certainly he has performed in a way which does credit to the Senate and to himself.

Lastly, let me extend my appreciation, on behalf of those who support this measure, to the distinguished chairman of the Committee on Banking, the Senator from Virginia [Mr. ROBERTSON]. While he has never favored the bill, he interposed no objection to early hearings on it in his committee, and in fact displayed great courtesy by assisting in the expeditious handling of the matter.

Mr. DIRKSEN. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield.

Mr. DIRKSEN. I wish to ask the majority leader about the program for the remainder of today and the remainder of the week.

However, first I should observe that the debate on the bill was kept on a high and a constructive note, and there was probably an absolute minimum of speeches on extraneous matters, not related to the measure before the Senate.

I, too, salute all the members of the two committees; and I give a particular salute to my genial and able friend, the Senator from Texas [Mr. TOWER], who has handled himself with extraordinary skill, and who very ably did his homework before coming to the floor to make his observations on this measure.

Mr. MANSFIELD. Mr. President, I agree with everything the distinguished minority leader has said.

Mr. DIRKSEN. Mr. President, now I should like to ask the distinguished majority leader what he contemplates for the remainder of today and for the remainder of the week, and, in view of a rather interesting event which will take

place on Monday in this city, whether he has any plans for the schedule for that day.

Mr. MANSFIELD. Mr. President, in reply let me say there will be no further business before the Senate today, except speeches and the like, with the possible exception of consideration of some non-controversial nominations and immigration bills, following completion of our action on the pending measure; and it is anticipated that then the Senate will adjourn until Monday morning.

ORDER FOR ADJOURNMENT TO 9 A.M., MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its session today, it adjourn until 9 a.m. on Monday.

The VICE PRESIDENT. Without objection, it is so ordered.

AUTHORIZATION FOR ARMED SERVICES COMMITTEE TO FILE REPORT ON MILITARY PROCUREMENT BILL

Mr. RUSSELL. Mr. President, if the Senate is to adjourn from today to Monday, I hope we may obtain unanimous consent that the Committee on Armed Services may report H.R. 2440, the procurement bill, so it can be available for consideration by the Senate.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, that is another bill which we would like to bring up next week.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, it is intended to have the Senate take up, later today, the wilderness bill, although no other action will be taken today on that measure. The distinguished Senator from New Mexico [Mr. ANDERSON], the distinguished Senator from Idaho [Mr. CHURCH], and the distinguished Senators from Colorado [Mr. ALLOTT and Mr. DOMINICK] have all been informed, and have given their approval to having the Senate take up the bill this afternoon and to having the consideration of the bill begin sometime Monday. That is our hope.

However, as the minority leader has noted, Monday is a special day, because it marks the beginning of the American League baseball season; and I understand that the Washington Senators and some other team will have a game, that day, and that there will be the usual festivities attendant to that.

So we shall begin our session on Monday at 9 a.m., in the hope that there will be debate on the wilderness bill, or on the off chance that, if not, we shall perhaps be able to take up the nominations to the Communications Satellite Corp.

Mr. DIRKSEN. Mr. President, if the distinguished Senator from Montana will yield further, and if this is a fair question, I am wondering when he proposes

to schedule the so-called youth opportunities bill. It was reported this week from the Committee on Labor and Public Welfare.

Mr. MANSFIELD. I hope we can take it up on Tuesday, or upon completion of the wilderness bill.

Mr. DIRKSEN. Mr. President, in the best of grace and spirit, let me say that I always ask the majority leader, whenever opportunity affords, whether he can give us some comfort and solace regarding a possible recess in the Easter season, when the joys of spring are everywhere, when the delights of the cherry blossoms somehow tantalize the eye and the taste, and the spirit of resurrection is upon the earth as the swelling buds burst into life, and the jonquils, the tulips, and the hyacinths spring forth in all their beauty.

However, thus far, I have received no real comfort from my friend, the distinguished Senator from Montana; but I hope this spirit is having an impact upon his affable genius, and that he can give us some comfort.

Mr. MANSFIELD. Well, Mr. President, there is a possibility that there will be some comfort and some solace, but it depends on how rapidly we get our work done. If the work is done, some comfort will be forthcoming.

Mr. RUSSELL. That is invoking the carrot and the stick.

Mr. DIRKSEN. I should like to ask the majority leader one further question. How many Easter eggs must go into the administration basket in order that we might earn our vacation?

Mr. MANSFIELD. Mr. President, my comment is "No comment."

COMMITTEE MEETING DURING SESSION OF THE SENATE NEXT MONDAY

Mr. BIBLE. Mr. President, will the majority leader yield, so that I may make a unanimous-consent request?

Mr. MANSFIELD. I yield.

Mr. BIBLE. I understand that the Senate will convene next Monday at 9 o'clock a.m.

Mr. MANSFIELD. The Senator is correct.

Mr. BIBLE. The Subcommittee on Public Lands has scheduled hearings on an important national park bill, in which the two Senators from Missouri are vitally interested. Arrangements have been made to hear two witnesses from Missouri on Monday at 10 o'clock. I ask unanimous consent that the Public Lands Subcommittee be authorized to meet during the session of the Senate on Monday morning.

Mr. DIRKSEN. Mr. President, I shall interpose no objection.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

AUTHORIZATION TO FILE COMMITTEE REPORTS DURING ADJOURNMENT

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Com-

mittee on Interior and Insular Affairs be authorized to file certain reports during the recess or adjournment of the Senate.

The VICE PRESIDENT. Without objection, it is so ordered.

URBAN MASS TRANSPORTATION ACT OF 1963

The Senate resumed the consideration of the bill (S. 6) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes.

The VICE PRESIDENT. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Utah [Mr. MOSS], the Senator from Florida [Mr. SMATHERS], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

On this vote, the Senator from Tennessee [Mr. GORE] is paired with the Senator from Utah [Mr. BENNETT].

If present and voting, the Senator from Tennessee would vote "yea," and the Senator from Utah would vote "nay."

On this vote, the Senator from Texas [Mr. YARBOROUGH] is paired with the Senator from Colorado [Mr. DOMINICK].

If present and voting, the Senator from Texas would vote "yea," and the Senator from Colorado would vote "nay."

I further announce that if present and voting, the Senator from Florida [Mr. SMATHERS] would vote "nay."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Kansas [Mr. CARLSON], and the Senator from Colorado [Mr. DOMINICK] are absent on official business.

If present and voting, the Senator from Kansas [Mr. CARLSON] would vote "nay."

On this vote, the Senator from Utah [Mr. BENNETT] is paired with the Senator from Tennessee [Mr. GORE].

If present and voting, the Senator from Utah would vote "nay," and the Senator from Tennessee would vote "yea."

On this vote, the Senator from Colorado [Mr. DOMINICK] is paired with the Senator from Texas [Mr. YARBOROUGH].

If present and voting, the Senator from Colorado would vote "nay" and the Senator from Texas would vote "yea."

The result was announced—yeas 52, nays 41, as follows:

[No. 40 Leg.]
YEAS—52

Anderson	Dodd	Jackson
Bartlett	Douglas	Javits
Beall	Engle	Johnston
Bible	Fulbright	Keating
Brewster	Gruening	Kefauver
Burdick	Hart	Kennedy
Byrd, W. Va.	Hartke	Kuchel
Cannon	Hayden	Long, Mo.
Case	Hill	Long, La.
Church	Humphrey	Magnuson
Clark	Inouye	Mansfield

McCarthy	Neuberger	Sparkman
McGovern	Pastore	Symington
McNamara	Pell	Talmadge
Metcalf	Randolph	Williams, N.J.
Monroney	Ribicoff	Young, Ohio
Morse	Russell	
Nelson	Scott	

NAYS—41

Aiken	Goldwater	Muskie
Allott	Hickenlooper	Pearson
Bayh	Holland	Prouty
Beggs	Hruska	Proxmire
Byrd, Va.	Jordan, N.C.	Robertson
Cooper	Jordan, Idaho	Saltonstall
Cotton	Lausche	Simpson
Curtis	McClellan	Smith
Dirksen	McGee	Stennis
Eastland	McIntyre	Thurmond
Edmondson	Mechem	Tower
Ellender	Miller	Williams, Del.
Ervin	Morton	Young, N. Dak.
Fong	Mundt	

NOT VOTING—7

Bennett	Gore	Yarborough
Carlson	Moss	
Dominick	Smathers	

So the bill (S. 6) was passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Urban Transportation Act of 1963".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds—

(1) that the predominant part of the Nation's population is located in its rapidly expanding metropolitan and other urban areas, which generally cross the boundary lines of local jurisdictions and often extend into two or more States;

(2) that the welfare and vitality of urban areas, the satisfactory movement of people and goods within such areas, and the effectiveness of housing, urban renewal, highway, and other federally aided programs are being jeopardized by the deterioration or inadequate provision of urban transportation facilities and services, the intensification of traffic congestion, and the lack of coordinated transportation and other development planning on a comprehensive and continuing basis; and

(3) that Federal financial assistance for the development of efficient and coordinated mass transportation systems is essential to the solution of these urban problems.

(b) The purposes of this Act are—

(1) to assist in the development of improved mass transportation facilities, equipment, techniques, and methods, with the cooperation of mass transportation companies both public and private;

(2) to encourage the planning and establishment of areawide urban mass transportation systems needed for economical and desirable urban development, with the cooperation of mass transportation companies both public and private; and

(3) to provide assistance to State and local governments and their instrumentalities in financing such systems, to be operated by public or private mass transportation companies as determined by local needs.

SEC. 3. (a) In accordance with the provisions of this Act, the Administrator is authorized to guarantee qualified revenue bonds or, where the Administrator has determined that such guaranteed revenue bonds would not provide the financial assistance required by the applicant, to make grants or loans (directly, through the purchase of securities or equipment trust certificates, or otherwise) to assist States and local public bodies and agencies thereof, and mass transportation companies both public and private, in financing the acquisition, construction, reconstruction, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation

service in urban areas and in coordinating such service with highway and other transportation in such areas. Assistance may be provided for land and improvements acquired or constructed in advance of such use, if the Administrator obtains adequate assurance of repayment of the assistance where the land and improvements are not in fact put to the proposed use within a reasonable period of time. Eligible facilities and equipment may include land (but not public highways), buses and other rolling stock, and any other real or personal property needed for an efficient and coordinated mass transportation system. No guarantee of revenue bonds, grant or loan shall be provided under this section unless the Administrator determines that the applicant (which in no case shall be a private company) has or will have (1) the legal, financial, and technical capacity to carry out the proposed project, and (2) satisfactory continuing control, through operation or lease or otherwise, over the use of the facilities and equipment. The applicant shall, with respect to private mass transportation companies, give full consideration to the exercise of such continuing control through the appropriate existing governmental regulatory agency authorized to issue to the operating company, in the form of certificates of public convenience and necessity, franchises, or other indicia of operating authority, the authority to operate as a private mass transportation company. No such funds shall be used for payment of ordinary governmental or nonproject operating expenses.

(b) (1) No financial assistance shall be made available under this Act to any State or local public body or agency thereof for the purpose, directly or indirectly, of acquiring any interest in, or purchasing any facilities or other property of a private mass transportation company, or for the purpose of constructing, improving, or reconstructing any facilities or other property acquired, after the effective date of this Act, from any such company; unless (A) such company has, prior to such acquisition, been declared bankrupt or placed into receivership by a court of competent jurisdiction, or (B) the Administrator finds that such assistance is essential to a program, proposed or under active preparation, for the acquisition of mass transportation facilities or property which are supplementary to the service provided by an existing publicly owned or operated mass transportation system, and (C) in either situation under A or B, the Administrator and the Secretary of Labor, acting jointly in accordance with the provisions of section 19(c) of this Act, find that the project to be assisted complies with the requirements set forth therein.

(b) (2) No financial assistance shall be made available under this Act to any State or local public body or agency thereof for the purpose of providing by contract or otherwise for the operation of mass transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing mass transportation company unless (A) the Administrator finds that such assistance is essential to a program, proposed or under active preparation, for a unified or officially coordinated urban transportation system as part of the comprehensively planned development of the urban area, (B) the Administrator finds that such program, to the maximum extent feasible, provides for the participation of private mass transportation companies and (C) the Administrator and the Secretary of Labor, acting jointly in accordance with the provisions of section 19(c) of this Act, find that such program complies with the requirements set forth therein.

(c) No Federal assistance under this Act shall be extended to any State or local public body or agency thereof to assist any pri-

vate mass transportation company unless the Administrator is assured that the State or States and the local public bodies or agencies thereof in the area covered by a proposed project have afforded the company every feasible relief, compatible with their own fiscal responsibilities, including, but not necessarily limited to, relinquishment of real property taxes, personal property taxes and franchise taxes; and no Federal assistance shall be extended under this Act to any State or local public body or agency thereof to assist a public mass transportation company or any division or segment of its operations when one or more other divisions or segments are operating profitably unless the Administrator is assured that the transfer of funds from one division or segment to another would not be compatible with the maintenance of a coordinated mass transportation system in the area covered by the proposed project.

(d) No loan shall be made under this section for any project for which a grant is made under this section, except grants made for relocation payments in accordance with section 16(b). Loans under this section shall be subject to the restrictions and limitations set forth in paragraphs (1), (2), and (3) of section 202(b) of the Housing Amendments of 1955. The authority provided in section 203 of such amendments to obtain funds for loans under clause (2) of section 202(a) of such amendments shall (except for undisbursed loan commitments) hereafter be exercised by the Administrator (without regard to the proviso in section 202(d) of such amendments) solely to obtain funds for loans under this section.

(e) Section 203(a) of the Housing Amendments of 1955 is amended by inserting before the period at the end of the third sentence a semicolon and the following: "except that notes or other obligations issued by the Administrator to the Secretary of the Treasury to obtain funds to provide financial assistance under section 202(a) (2) (as modified by section 3(d) of the Urban Mass Transportation Act of 1963) shall bear interest at a rate determined by the Secretary of the Treasury on the basis of the current average yield on outstanding marketable obligations of the United States of comparable maturities as of the last day of the month preceding the issuance by the Administrator of the notes or other obligations".

SEC. 4. Except as specified in section 14, no Federal financial assistance shall be provided pursuant to section 3 unless the Administrator determines that the facilities and equipment for which the assistance is sought are needed for carrying out a program, meeting criteria established by him, for a unified or officially coordinated urban transportation system as a part of the comprehensively planned development of the urban area, and are necessary for the sound, economic, and desirable development of such area. Such a program shall encourage, to the maximum extent feasible, the participation of private enterprise. Where facilities and equipment are to be acquired which are already being used in mass transportation service in the urban area, the program must provide that they shall be so improved (through modernization, extension, addition, or otherwise) that they will better serve the transportation needs of the area.

GUARANTEED BOND PROGRAM

SEC. 5. (a) The Administrator, upon application of a State, local public body or agency thereof, is authorized, in accordance with the provisions of this Act—

(1) to guarantee the payment of so much of the interest and the repayment of so much of the principal on the revenue bonds of such State, local public body, or agency thereof as would, but for such guarantee, be unpaid when due; and

(2) upon such terms as he may prescribe, to make commitments to guarantee the payment of interest and principal of any such revenue bonds prior to the date of execution or sale thereof.

(b) Each contract of guarantee made under this Act shall run to, and shall be for the benefit of, the owners of such revenue bonds.

(c) The faith and credit of the United States is solemnly pledged to the payment of so much of the interest and to the repayment of so much of the principal on each revenue bond guaranteed or committed to be guaranteed under this Act as would, but for the guarantee provided for by this Act, be unpaid, when due.

(d) The Administrator shall not enter into any contract of guarantee (or of commitment to guarantee) under this Act if such contract, when taken together with other contracts of guarantee outstanding under this Act, would guarantee the payment of bonds exceeding \$375,000,000.

(e) The Administrator shall charge in connection with every contract of guarantee under this Act a premium equal to one-quarter of 1 per centum of the face value of the bonds so guaranteed.

Sec. 6. To be eligible for a guarantee under this Act, any revenue bond shall—

(1) expressly state on its face that the State, local public body, or agency thereof issuing said bond has waived the normal status of said bond as exempt from the provisions of the Federal income tax laws, and the interest on any bond expressing such waiver shall not be exempt from taxation under the Federal income tax laws;

(2) be issued for the purpose of securing funds for a program (as described in sections 3(a) and 4) approved by the Administrator, and at least 25 per centum of the financing of such program shall be by bonds or securities not guaranteed under this Act, so that the federally guaranteed portion shall not constitute more than 75 per centum of the total cost of the program;

(3) bear interest at an average interest rate approved by the Administrator and have a maturity date not in excess of fifty years;

(4) be determined by the Administrator to be of such sound value or so secured as reasonably to assure the punctual payment of principal and interest on the date or dates such payments are due and payable; and

(5) be issued under a trust indenture duly entered into between the State, local public body, or agency thereof and a corporate trustee approved by the Administrator containing all of the provisions required by section 7 of this Act and such other provisions as may be required by the Administrator and as may be agreed upon between such State, local public body or agency thereof and the trustee.

Sec. 7. (a) A trust indenture or supplemental trust indenture under which revenue bonds guaranteed under this Act are issued shall include provisions satisfactory to the Administrator—

(1) requiring the State, local public body, or agency thereof to insure that the mass rapid transit system or those portions thereof financed with the proceeds of the bonds is properly operated, kept at all times in good repair, working order, and condition, and that all lawful claims for labor, materials, and supplies or other charges are discharged and paid;

(2) requiring the State, local public body, or agency thereof to insure that the rates, fares, tolls, rentals, or other charges in connection with the services and facilities furnished from the mass rapid transit system, or any part thereof, financed from part or all of the proceeds of the bonds, are at least sufficient to pay the principal of and interest on the bonds as they become due and payable, together with all expenses of opera-

tion, maintenance, and repair of the system;

(3) requiring the State, local public body, or agency thereof to punctually pay or cause to be paid from its revenues the principal of all guaranteed revenue bonds and the interest thereon on the date or dates, at the place or places, and in the manner specified in the bonds; and

(4) providing for the systematic accumulation of revenues for the payment of the principal of all guaranteed revenue bonds and the interest thereon, which provisions shall be designed to assure that the State, local public body, or agency thereof, or the trustee of the trust indenture or supplemental trust indenture under which the guaranteed revenue bonds were issued, shall have accumulated revenues on or before the fifteenth day prior to the date or dates on which any installment of principal or interest becomes due and payable sufficient to pay in full such installment of principal or interest.

(b) Any such trust indenture or supplemental trust indenture shall also include provisions satisfactory to the Administrator requiring that in the event the State, local public body, or agency thereof has not, on the fifteenth day prior to the date or dates on which any installment of principal or interest becomes due and payable, accumulated, in the manner provided in paragraph (4) subsection (a) of this section, revenues sufficient to pay in full such installment of principal or interest, the State, local public body, or agency thereof, or the trustee of the trust indenture or supplemental trust indenture under which the guaranteed revenue bonds were issued, shall forthwith make and serve upon the Administrator a written demand for the amount of money needed to pay in full such installment of principal or interest, less the amount of revenues then accumulated for the payment of that installment of principal or interest. Such written demand shall be accompanied by a note made payable to the Federal transit revenue bond guarantee fund, created by section 10 of this Act, which shall constitute a binding obligation of the State, local public body, or agency thereof, as determined by the Administrator, and shall be in a principal amount equal to the amount of money demanded of the Administrator. Such note shall mature on or before a date six months following the date established for the retirement of the guaranteed revenue bond issue or, in case any prior note or notes are then held by the Secretary, on or before a date six months following the date of maturity of the prior note of latest maturity. Such note shall bear interest at a rate one-quarter of 1 per centum per annum higher than the average net interest cost of the entire guaranteed revenue bond issue, and shall be payable at maturity: *Provided*, That in no event should the interest rate of the notes so obtained be less than the interest rate accruing on Federal borrowings, as determined by the Secretary of the Treasury on the obligations of the United States of comparable maturities as of the last day of the month preceding the issuance of the notes. Nothing in this section shall preclude the Administrator from taking any remedial action otherwise available.

Sec. 8. Within ten days from the date of any demand made by a State, local public body, or agency thereof or trustee pursuant to the trust indenture provision required by section 7 of this Act, the Administrator shall pay to the trustee of the trust indenture or supplemental trust indenture under which the guaranteed revenue bonds were issued the amount of money specified in the demand, which money shall be applied by the trustee to the payment of the installment of principal or interest (or both) for which such money was demanded. Any money re-

quired to be paid by the Administrator to the trustee pursuant to this section shall be paid in funds good to the trustee on the payment date.

Sec. 9. The Administrator may, by rule or regulation, require States, local public bodies, or agencies thereof having outstanding revenue bonds guaranteed under this Act to submit to the Administrator from time to time such reports as in the opinion of the Administrator are necessary or desirable to enable the Administrator to anticipate in advance possible demands which may be made upon the Administrator for moneys required to be paid by the Administrator under section 8 of this Act.

Sec. 10. There is created a Federal transit revenue bond guarantee fund (hereinafter referred to as the "fund") which shall be used by the Administrator as a revolving fund for carrying out the provisions of this Act relating to the guarantee of revenue bonds and for the administrative expenses in connection therewith. All premiums and earnings on the assets of the fund shall be credited to the fund. Any moneys required to be paid by the Administrator under section 8 of this Act, and all administrative expenses in connection with the guarantee of revenue bonds under this Act, shall be paid from the fund; and there is authorized to be appropriated to the fund such sums as may be necessary to make such payments. The faith and credit of the United States is solemnly pledged to the payment of all moneys required to be paid by the Administrator under section 8 of this Act. Moneys in the fund not needed for current operations under this Act shall be deposited with the Treasurer of the United States to the credit of the fund or invested in bonds or other obligations of, or guaranteed as to principal and interest by, the United States.

Sec. 11. The Administrator is authorized and directed to make such rules and regulations as may be deemed necessary or appropriate to carry out the purposes and provisions of this Act: *Provided*, That no provisions of this Act shall be construed to authorize the Administrator to regulate in any manner the mode of operation of any mass rapid transit system or the rates, fares, tolls, rentals, or other charges fixed or prescribed by any State, local public body, or agency thereof.

Sec. 12. The limitations and restrictions on the powers of national banking associations contained in paragraph "Seventh" of section 5136 of the Revised Statutes, as amended (12 U.S.C. 24), as to dealing in, underwriting, and purchasing for their account investment securities shall not apply to revenue bonds of a State, local public body, or agency thereof which are guaranteed by the Administrator under this Act.

GRANT PROGRAM

Sec. 13. (a) The Administrator shall estimate what portion of the cost of a project to be assisted under section 3 of this Act cannot be reasonably financed from revenues—which portion shall hereinafter be called "net project cost". The Federal grant for such a project shall not exceed two-thirds of the net project cost. The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds, and no refund or reduction of that portion so provided shall be made at any time unless there is at the same time a refund of a proportional amount of the Federal grant. In determining net project cost for any project to be assisted under section 3, any estimate of revenues shall not be reduced by any amount to be allocated as a reserve for replacement of equipment or facilities. No grant shall be made for any project pursuant to section 3 unless the Administrator determines that (1) there exists a commitment from non-Federal sources to supply the remainder of the net project cost, and (2)

the Federal Government's interest in the project is adequately protected in the event of a default or a failure to complete such project.

(b) To finance grants under this Act there is hereby authorized to be appropriated at any time after its enactment not to exceed \$75,000,000 for fiscal years 1963 and 1964; \$150,000,000 for fiscal year 1965; and \$150,000,000 for fiscal year 1966. Any amount so appropriated shall remain available until expended; and any amount authorized but not appropriated for any fiscal year may be appropriated for any succeeding fiscal year. The Administrator is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes (31 U.S.C. 529) as amended, to make advance or progress payments on account of any grant made pursuant to this Act.

(c) Any application under section 3 for a grant to assist any project for the provision of mass transportation service in an urban area shall include a schedule of fares, determined by the Administrator to be economically sound, and upon the basis of which the Administrator shall make his estimate of net project cost. If, at any time after the making of such grant while any revenue obligations issued to finance the project are outstanding, a change is effected in such schedule which the Administrator determines will substantially reduce revenues from the project and lessen the chances for an economically sound operation, he shall so notify the recipient of such grant. Thereafter, the Administrator shall not extend any assistance under any law administered by the Housing and Home Finance Agency (except pursuant to a commitment entered into prior to such notice) to finance in whole or in part any project to be undertaken in such area, until he determines that such schedule has been so revised, or that other action has been so taken, as to permit an economically sound operation.

EMERGENCY PROGRAM

SEC. 14. Prior to July 1, 1966, Federal financial assistance may be provided pursuant to section 3 where (1) the program for the development of a unified or officially coordinated urban transportation system, referred to in section 4, is under active preparation although not yet completed, (2) the facilities and equipment for which the assistance is sought can reasonably be expected to be required for such a system, and (3) there is an urgent need for their preservation or provision. The Federal grant for such a project shall not exceed one-half of the net project cost: *Provided*, That where a Federal grant is made on such a one-half basis, and the planning requirements specified in section 4 are fully met within a three-year period after the execution of the grant agreement, an additional grant may then be made to the applicant equal to one-sixth of the net project cost. The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds, and no refund or reduction of that portion so provided shall be made at any time unless there is at the same time a refund of a proportional amount of the Federal grant.

RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROJECTS

SEC. 15. (a) The Administrator is authorized to undertake research, development, and demonstration projects in all phases of urban mass transportation (including the development, testing, and demonstration of new facilities, equipment, techniques, and methods) which he determines will assist in the reduction of urban transportation needs, the improvement of mass transportation service, or the contribution of such service toward meeting total urban transportation needs at minimum cost. He may undertake such projects independently or by contract (in-

cluding working agreements with other Federal departments and agencies). In carrying out the provisions of this section, the Administrator is authorized to request and receive such information or data as he deems appropriate from public or private sources.

(b) The Administrator may make available to finance projects under this section not to exceed \$10,000,000 of the mass transportation grant authorization provided in section 13 (b), which limit shall be increased to \$20,000,000 on July 1, 1964, and to \$30,000,000 on July 1, 1965. In addition, notwithstanding the provisions of section 4 of this Act or of section 103(b) of the Housing Act of 1949, the unobligated balance of the amount available for mass transportation demonstration grants pursuant to the proviso in such section 103(b) shall be available solely for financing projects under this section.

(c) Nothing contained in this section shall limit any authority of the Administrator under section 602 of the Housing Act of 1956 or any other provision of law.

(d) No part of any appropriated funds may be expended pursuant to authorization given by this Act for any technological research or development activity unless such expenditure is conditioned upon provisions determined by the Administrator, with the approval of the Attorney General, to be effective to insure that all information, uses, products, processes, patents, and other developments resulting from that activity will (with such exceptions and limitations as the Administrator may determine after consultation with the Secretary of Defense to be necessary in the interest of the national defense) be made freely and fully available to the general public. Nothing contained in this subsection shall deprive the owner of any background patent relating to any such activity of any right which that owner may have under that patent.

RELOCATION REQUIREMENTS AND PAYMENTS

SEC. 16. (a) No financial assistance shall be extended to any project under section 3 unless the Administrator determines that an adequate relocation program is being carried on for families displaced by the project and that there are being or will be provided (in the same area or in other areas generally not less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the displaced families) an equal number of decent, safe, and sanitary dwellings available to those displaced families and reasonably accessible to their places of employment.

(b) Notwithstanding any other provision of this Act, financial assistance extended to any project under section 3 may include grants for relocation payments, as herein defined. Such grants may be in addition to other financial assistance for the project under section 3, and no part of the amount of such relocation payments shall be required to be contributed as a local grant. The term "relocation payments" means payments by the applicant to individuals, families, business concerns, and nonprofit organizations for their reasonable and necessary moving expenses and any actual direct losses of property except goodwill or profit, for which reimbursement or compensation is not otherwise made, resulting from their displacement by the project. Such payments shall be made subject to such rules and regulations as may be prescribed by the Administrator, and shall not exceed \$200 in the case of an individual or family, or \$3,000 (or if greater, the total certified actual moving expenses) in the case of a business concern or nonprofit organization. Such rules and regulations may include provisions authorizing payment to individuals and families of fixed amounts (not to exceed \$200 in any case) in lieu of their respective reasonable and necessary moving expenses and actual direct losses of property.

COORDINATION OF FEDERAL ASSISTANCE FOR HIGHWAYS AND FOR MASS TRANSPORTATION FACILITIES

SEC. 17. (a) In order to assure coordination of highway and railway and other mass transportation planning and development programs in urban areas, particularly with respect to the provision of mass transportation facilities in connection with federally assisted highways (including the acquisition of land and the acquisition or construction of improvements in advance of such use), the Administrator and the Secretary of Commerce shall consult on general urban transportation policies and programs and shall exchange information and otherwise cooperate with respect to the planning, financing, and construction of proposed projects in urban areas.

(b) In order to be assured that proposed projects will not unnecessarily disrupt or otherwise have a deleterious effect (of a temporary or permanent nature) upon rail or motor carriers currently engaged in interstate commerce and subject to regulation by the Interstate Commerce Commission, the Administrator shall consult with the Chairman of the Interstate Commerce Commission with respect to proposed projects affecting interstate transportation, and the Administrator and the Chairman of the Interstate Commerce Commission shall exchange information and otherwise cooperate with respect to such projects.

GENERAL PROVISIONS

SEC. 18. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this Act, the Administrator shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties set forth in section 402, except subsections (c) (2) and (f), of the Housing Act of 1950. Subject to the provisions of section 10, funds obtained or held by the Administrator in connection with the performance of his functions under this Act shall be available for the administrative expenses of the Administrator in connection with the performance of such functions.

(b) To insure that small business concerns are given an equitable opportunity to share in all procurement aspects of any project for which a loan or grant is made under this Act, the Administrator shall cooperatively develop with the Small Business Administration within four months after the effective date of this paragraph a small business contracting program to be applicable to all such projects. The program shall contain such provisions as may be necessary to (1) enable small business concerns to have an equitable opportunity to compete, either directly or as subcontractors, for contracts and procurements for property and services awarded in the implementation and effectuation of the purposes of this Act, and (2) enable the Small Business Administration to obtain from the local public bodies and mass transportation companies such reasonably obtainable information concerning contracts and procurement, including subcontracts thereunder, awarded in the implementation and effectuation of the purposes of this Act.

(c) All contracts for construction, reconstruction, or improvement of facilities and equipment in furtherance of the purposes for which a loan grant, or guarantee is made under this Act, entered into by applicants under other than competitive bidding procedures as defined by the Administrator, shall provide that the Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall, for the purpose of audit and examination, have access to any books, documents, papers, and records of the contracting parties that are pertinent to the operations or activities under such contracts.

(d) As used in this Act—

(1) the term "States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States;

(2) the term "local public bodies" includes municipalities and other political subdivisions of States; public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States; and public corporations, boards, and commissions established under the laws of any State;

(3) the term "Administrator" means the Housing and Home Finance Administrator;

(4) the term "urban area" means any area that includes a municipality or other built-up place which is appropriate, in the judgment of the Administrator, for a public transportation system to serve commuters or others in the locality taking into consideration the local patterns and trends of urban growth; and

(5) the term "mass transportation" means transportation by bus or rail or other conveyance, either publicly or privately owned, serving the general public and moving over prescribed routes, but does not include charter or sightseeing service, or aircraft or steamship service (other than ferrying service).

(e) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the funds necessary to carry out all functions under this Act except loans under section 3. All funds appropriated under this Act for other than administrative expenses shall remain available until expended.

(f) Except as otherwise provided in this subsection, contracts for grants under section 3 (other than relocation payments in accordance with section 16(b)) for projects in any one State shall not exceed in the aggregate 12½ per centum of the amount of grant funds appropriated under the authority contained in section 13(b). The Administrator may make additional contracts for such grants (subject to the limitations prescribed in section 13(b)) aggregating not to exceed 10 per centum of the amount appropriated, but such additional contracts for grants for projects in any one State shall not exceed in the aggregate 1 per centum of the amount appropriated. In the case of any project undertaken in two or more States, in accordance with a duly approved compact or other agreement, the Administrator may apply the foregoing limitations by allocating any portion of the grants contracted for such project to any one or more of such States.

(g) The Administrator shall make an annual report to the President for submission of this Act. Such report shall indicate to whom financial assistance has been extended pursuant to this Act, the purposes for which such assistance is to be utilized, and the amounts involved, and may include such other information, comments, and recommendations as the Administrator deems appropriate.

(h) The first sentence of section 814 of the Housing Act of 1954, as amended (42 U.S.C. 1434), is amended by—

(1) inserting after "grant," the first place it appears, the following: "guaranteed revenue bond issue,";

(2) inserting after "grant," the second place it appears, the following: "guaranteed revenue bond issue (including the revenues from which the bonded indebtedness is to be repaid)"; and

(3) inserting after "grant," the third place it appears, the following: "guaranteed revenue bond issue,".

LABOR STANDARDS

Sec. 19. (a) The Administrator shall take such action as may be necessary to insure

that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed with the assistance of loans or grants under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended. The Administrator shall not approve any such loan or grant without first obtaining adequate assurance that these labor standards will be maintained upon the construction work.

(b) The Secretary of Labor shall have, with respect to the labor standards specified in subsection (a), the authority and functions set forth in Reorganization Plan Numbered 14 of 1959 (15 F.R. 3176, 64 Stat. 1267 5 U.S.C. 133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, 40 U.S.C. 278c).

(c) It shall be a condition of the granting of any assistance or the financing of any project under this Act that fair and equitable arrangements are made, as determined jointly by the Administrator and the Secretary of Labor, to protect the interests of employees affected by such assistance or financing. Such protective arrangements shall include, without being limited to, such provisions as may be necessary for (1) the preservation of rights, privileges, and benefits (including the continuation of pension rights and benefits of all beneficiaries) under existing collective bargaining agreements or otherwise; (2) the continuation of collective bargaining in any situation where it now exists; (3) the protection of individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to the provisions of section 5(2)(f) of the Interstate Commerce Act; (4) assurances of employment to employees of acquired mass transportation systems by the acquiring or operating entities, and priority of employment or reemployment of employees terminated or laid off; and (5) paid training or retraining programs. The contract for the granting of any such assistance shall specify the terms and conditions of such protective arrangements.

AIR POLLUTION CONTROL

Sec. 20. In providing financial assistance to any project under section 3, the Administrator shall take into consideration whether the facilities and equipment to be acquired constructed, reconstructed, or improved will be designed and equipped to prevent and control air pollution in accordance with any criteria established for this purpose by the Secretary of Health, Education, and Welfare.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the bill, as passed by the Senate, be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of New Jersey subsequently said:

Mr. President, I had the high honor to be the principal sponsor of the mass transportation bill which has just passed the Senate. I did not take the time during the debate, but I should like to do so now, to say that the bill was a very

complicated procedural and substantive measure which was considered over many weeks, if not months. It was complicated by the fact that both the Committee on Banking and Currency and the Committee on Commerce had jurisdiction. We encountered very complex problems. The staffs of other committees were included in our discussions.

The Senate employees presented one of the finest examples of the highest dedication of staff personnel in the Senate. Their willingness to work all day and literally all night was an example of the finest public service. I want the record to reflect that sentiment. So many persons worked on the preparation of the bill that I shall not mention any names; but they included the staffs of the Committee on Banking and Currency, the Committee on Commerce, and the Committee on Labor and Public Welfare, and members of the staffs of many Senators.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

REPORT OF SECRETARY OF HEALTH, EDUCATION, AND WELFARE ON PLACEMENT AND FOSTER CARE OF DEPENDENT CHILDREN—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Finance:

To the Congress of the United States:

Pursuant to section 155 of Public Law 87-543, I transmit herewith a report of the Secretary of Health, Education, and Welfare regarding experience under subsection (a) of that section.

JOHN F. KENNEDY.

THE WHITE HOUSE, April 4, 1963.

EXECUTIVE COMMUNICATIONS, ETC.

The Vice President laid before the Senate the following communication and letters, which were referred as indicated:

DISTRICT OF COLUMBIA CHARTER ACT

A communication from the President of the United States, transmitting a draft of proposed legislation to provide an elected mayor, city council, and nonvoting Delegate to the House of Representatives for the District of Columbia, and for other purposes (with an accompanying paper); to the Committee on the District of Columbia.

STOCKPILING, STORAGE, AND DISTRIBUTION OF ESSENTIAL FOODSTUFFS

A letter from the Secretary of Agriculture, relating to a proposed bill transmitted to the Senate on March 25, 1963, "to provide for the stockpiling, storage, and distribution of essential foodstuffs, including wheat and feed grains, to assure supplies to meet emergency civil defense needs, and other purposes," advising that enactment of the proposed legislation would be in accord with the President's program; to the Committee on Agriculture and Forestry.

The resolution ceases to apply to an agency or activity concurrent with approval by the President of the annual supply bill in which provision for it has been disposed. Thus the scope of the resolution constricts as each regular bill is finally enacted; the resolution would be wholly inoperative after the last approval. In accord with previous practice, the emphasis is on the continuation of existing projects and activities at the lower of one of three rates; namely, first, the current—1964—fiscal year; second, the budget request, where no action has been taken by either House; or third, the more restrictive amount adopted by either of the two Houses.

In further elucidation, may I say that in those instances where bills have passed both bodies and the amounts or authority therein differ, the pertinent project or activity continues under the lesser of the two amounts approved and under the more restrictive authority.

Where a bill has passed only one House, or where an appropriation for a project or activity is included in only one version of the bill as passed by both Houses, the pertinent project or activity continues under the appropriation, fund, or authority granted by the one House, but at a rate of operations not exceeding the fiscal year 1964 rate or the rate permitted by the one House, whichever is the lower.

In those instances where neither House has passed an appropriation bill for the fiscal year 1965, appropriations are provided for continuing projects or activities conducted during fiscal year 1964 at the current rate or the pending budget estimate, whichever is lower, and under the more restrictive authority.

SUMMARY OF APPROPRIATIONS

Mr. Speaker, by way of summary, in this session to date, in both the deficiency bills for 1964 and in the 11 regular bills for fiscal 1965, the House has considered budget requests for appropriations aggregating \$92,348,302,844 against which, in the bills as passed, we have approved \$83,692,115,929, an apparent—and striking—reduction of \$8,656,186,915. But I must hasten to say that this is a gross distortion occasioned by the deletion on a point of order from the House floor of the entire \$5,200 million recommended by the Committee on Appropriations for the national space program. Assuming House approval of that recommendation or something approximating it—and I take it we can all agree with the reasonableness of that assumption—the totals, in perspective, would show appropriations recommended by the House for the session to date of \$88,892,115,929, a reduction of nearly \$3½ billion below the Executive requests—precisely, \$3,456,186,915. The other body has not yet passed enough bills to disclose any meaningful totals on the results of its deliberations.

The foreign assistance bill reported to the House this morning involves budget appropriation requests of \$3,958,377,000 in all titles. The committee has recommended a cut of \$219,127,600.

In conclusion, Mr. Speaker, and to repeat for emphasis, the pending resolu-

tion is the usual, and of course absolutely essential course of action under the circumstances. By way of reassurance—because the question invariably arises—may I say that the resolution does not in any way supplement or add to the appropriations in the regular bills. It is strictly a stopgap measure to keep the doors of Government opening each morning on a minimum basis until funds for the whole year are supplied in the regular course of events. In the words of the resolution itself:

Expenditures therefrom shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

I urge adoption of the resolution.

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

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

Mr. JENSEN. Mr. Speaker, I agree with what the gentleman from Texas has said about the continuing resolution. It is a resolution which is similar to every continuing resolution Congress has passed in previous years.

Our former chairman, Mr. Cannon, who passed to his reward during this session, set a time schedule for all appropriation bills to come before the House of Representatives. The minority worked with Mr. Cannon in the fullest manner. We not only cooperated with him but the minority members of the Committee on Appropriations adopted a motion that we would support his time schedule, and we have done that.

The time schedule which Mr. Cannon set up has been followed almost to the letter and to the day. I know that our good chairman, the gentleman from Texas [Mr. MAHON], cooperated fully with Mr. Cannon and the rest of the members of the Committee on Appropriations in accomplishing this fact.

So, Mr. Speaker, I can only say that I agree to the date set for the termination of the continuing resolution, which the gentleman from Texas [Mr. MAHON] and I and others on the Committee on Appropriations have agreed should be August 31, 1964.

Mr. MAHON. Mr. Speaker, I move the previous question on the joint resolution.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

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

The SPEAKER. The question is on the passage of the joint resolution.

The joint resolution was passed.

A motion to reconsider was laid on the table.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa and I may have permission to revise and extend our remarks in connection with this continuing resolution.

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

There was no objection.

URBAN MASS TRANSPORTATION

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3881) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems in metropolitan and other urban areas, and for other purposes.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 3881, with Mr. Moss in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read through section 1 ending on line 19, page 13.

AMENDMENT OFFERED BY MR. RAINS

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

The Clerk read as follows:

Amendment offered by Mr. RAINS: On page 13, line 19, strike out "1963" and insert "1964".

Mr. RAINS. Mr. Speaker, this is a strictly technical amendment and I am sure there is no objection to it.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds—

(1) that the predominant part of the Nation's population is located in its rapidly expanding metropolitan and other urban areas, which generally cross the boundary lines of local jurisdictions and often extend into two or more States;

(2) that the welfare and vitality of urban areas, the satisfactory movement of people and goods within such areas, and the effectiveness of housing, urban renewal, highway, and other federally aided programs are being jeopardized by the deterioration or inadequate provision of urban transportation facilities and services, the intensification of traffic congestion, and the lack of coordinated transportation and other development planning on a comprehensive and continuing basis; and

(3) that Federal financial assistance for the development of efficient and coordinated mass transportation systems is essential to the solution of these urban problems.

(b) The purposes of this Act are—

(1) to assist in the development of improved mass transportation facilities, equipment, techniques, and methods;

(2) to encourage the planning and establishment of areawide urban mass transportation systems needed for economical and desirable urban development; and

(3) to provide assistance to State and local governments and their instrumentalities in financing such systems, to be operated by public or private mass transportation companies as determined by local needs.

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

Mr. Chairman, this bill is one of the most important matters of legislation to be considered in this session of the Congress. It is a recognized fact that the population of our Nation over the last quarter of a century and, particularly,

since the depression years has gravitated into and become concentrated in the cities and metropolitan areas. The population of our metropolitan areas is increasing by leaps and bounds annually. Small towns throughout the United States naturally are not confronted with the kind of transportation crisis which is being experienced in most of the major cities in this country.

The Committee on Banking and Currency has held long and tedious hearings on this legislation. Mayors, city officials, business interests, chambers of commerce, and labor organizations—all have testified as to the necessity to have our Federal Government aid our cities in the handling of this transportation problem that is expanding so rapidly and which has such an important effect on the economy of our Nation.

The Calumet region of Indiana in the First Congressional District of Indiana which I represent is located right in the shadow of Chicago. Metropolitan Chicago is an area with a population of approximately 6 million people. This area is located in the pathway of all transportation coming east into Chicago and also all transportation going East out of the city of Chicago and the Northwest goes through my congressional district. We have over 20 main railroad lines going through our area.

During the debate some Members yesterday stated that this is more or less a local problem. I want to state that the people of Gary, Hammond, East Chicago, and smaller towns in my area could not begin to finance and could not begin to solve the critical transportation problem that comes through the Calumet region of Indiana.

This traffic crisis in our area is not caused primarily by the people living in my area. This transportation problem in my area is caused by the thousands and thousands of cars and trucks daily coming from the States of New York, Pennsylvania, Georgia, Texas, and Kansas, and all of the States of the Union. It is not a local problem in my area, by any means, whatsoever.

The interstate transportation coming in from these outside States is curtailing the production of this industrial area in the Calumet region. There are three major steel mills in the Calumet region. Carnegie Illinois is one of the largest in the world. There are also Inland and Youngstown. The main office of the Portland Cement Co. is located there. Most major oil companies in the Nation have refineries in the Whiting and East Chicago area. There are several chemical plants in the Calumet region. There are 200 or 300 major and smaller industries in the towns and cities of northwest Indiana—250,000 people work daily in the major industries located on the south shores of Lake Michigan. The congestion which occurs at the three different work shifts during 24 hours, is staggering and impedes transportation almost around the clock.

I have seen passenger automobiles and trucks bumper to bumper, coming in and out of these industries at the change of shifts, extending 3 or 4 miles in traffic tieups. It takes some of the workers as

long as 2 hours to get from work in these industries to their homes, perhaps 30 or 40 miles away.

Thousands of people who live on the South Side of Chicago work in this area. Tens of thousands more live across the line, in Illinois, and in the south area in adjoining northwest Indiana, commute as far away as 50 or 60 miles.

Many witnesses testified before the committee that transportation in urban localities is a national problem—56 percent of the land in the city limits of Atlanta, Ga., is taken over by streets, highways, parking lots, and garages. Similar or worse conditions exist in other localities.

The multimillion-dollar freeways recently built crossing Chicago north and south and east and west are now overcrowded with car and truck traffic. The time for action and transportation relief is now critical and increasing year by year.

I hope this bill is passed by a large majority.

AMENDMENTS OFFERED BY MR. RAINS

Mr. RAINS. Mr. Chairman, I offer the following amendments.

The Clerk read as follows:

Amendments offered by Mr. RAINS:

Page 14, before the semicolon in line 19, insert ", with the cooperation of mass transportation companies both public and private".

Page 14, before the semicolon in line 22, insert ", with the cooperation of mass transportation companies both public and private".

Mr. RAINS. Mr. Chairman, these two small amendments are a part of the so-called private enterprise amendments which we expect to offer. These are really conforming amendments with the language which will be offered later. I assume there is no opposition to these particular amendments.

The CHAIRMAN. The question is on agreeing to the amendments offered by the gentleman from Alabama [Mr. RAINS].

The amendments were agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FEDERAL FINANCIAL ASSISTANCE

SEC. 3. (a) In accordance with the provisions of this Act, the Administrator is authorized to make grants or loans (directly, through the purchase of securities or equipment trust certificates, or otherwise) to assist States and local public bodies and agencies thereof in financing the acquisition, construction, reconstruction, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service in urban areas and in coordinating such service with highway and other transportation in such areas. Eligible facilities and equipment may include land (but not public highways), buses and other rolling stock, and other real or personal property needed for an efficient and coordinated mass transportation system. No grant or loan shall be provided under this section unless the Administrator determines that the applicant has or will have (1) the legal, financial, and technical capacity to carry out the proposed project, and (2) satisfactory continuing control, through operation or lease or otherwise, over the use of the facilities and equipment. No such funds shall be

used for payment of ordinary governmental or nonproject operating expenses.

(b) No loan shall be made under this section for any project for which a grant is made under this section, except grants made for relocation payments in accordance with section 7(b). Loans under this section shall be subject to the restrictions and limitations set forth in paragraphs (1), (2), and (3) of section 202(b) of the Housing Amendments of 1955. The authority provided in section 203 of such Amendments to obtain funds for loans under clause (2) of section 202(a) of such Amendments shall (except for undischarged loan commitments) hereafter be exercised by the Administrator (without regard to the proviso in section 202(d) of such Amendments) solely to obtain funds for loans under this section.

AMENDMENT OFFERED BY MR. RAINS

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

The Clerk read as follows:

Amendment offered by Mr. RAINS: Page 16, after line 13, insert the following new subsection:

"(c) No financial assistance shall be provided under this Act to any State or local public body or agency thereof for the purpose, directly or indirectly, of acquiring any interest in, or purchasing any facilities or other property of, a private mass transportation company, or for the purpose of constructing, improving, or reconstructing any facilities or other property acquired (after the date of the enactment of this Act) from any such company, or for the purpose of providing by contract or otherwise for the operation of mass transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing mass transportation company, unless (1) the Administrator finds that such assistance is essential to a program, proposed or under active preparation, for a unified or officially coordinated urban transportation system as part of the comprehensively planned development of the urban area, (2) the Administrator finds that such program, to the maximum extent feasible, provides for the participation of private mass transportation companies, (3) just and adequate compensation will be paid to such companies for acquisition of their franchises or property to the extent required by applicable State or local laws, and (4) the Secretary of Labor certifies that such assistance complies with the requirements of section 10(c) of this Act."

PRIVATE ENTERPRISE AMENDMENTS

Mr. RAINS. Mr. Chairman, these amendments to protect private enterprise are very similar to those contained in the mass transit bill, H.R. 4006, which was introduced by the gentleman from New Jersey [Mr. WIDNALL] on February 21, 1963. They have the support of the private transit companies, both rail and bus, and of their employees. I believe their adoption would do much to allay the fears which some of my colleagues on both sides of the aisle have expressed, that this bill might possibly be used to favor publicly owned transportation over private companies.

These amendments have as their primary objective the assurance that not only will privately owned transportation companies receive fair and equitable treatment under the bill, but that Federal funds will be utilized for the conversion of private companies to publicly owned companies in but the rarest circumstances. The administration has argued, and I expect this to be true, that

the overwhelming bulk of the funds provided in this measure will be used, as, for example, they are now used in the city of Philadelphia where the Passenger Service Improvement Corp. utilized the facilities of the Pennsylvania & Reading Railroads and the bus companies as their agent to take care of commuter transportation. I feel that this system is preferable to public ownership. I recognize, of necessity, that in some cases public ownership would be absolutely necessary, but I wish—and I believe I reflect the views of the vast majority of this body—to keep it to a minimum.

Secondly, my amendments would make sure that in those unusual instances where a transportation company must, in order to assure a coordinated transit system, pass from private to public ownership, the private company will receive just and adequate compensation for the loss of their franchise or property.

I hope the chairman of the committee and the members of the committee will see fit to accept these amendments which will achieve a broad base of support of the bill.

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

Mr. RAINS. I yield to the gentleman from Hawaii.

Mr. GILL. Mr. Chairman, I rise in support of the Urban Mass Transportation Act.

Few problems have plagued the city dwellers and workers of our generation like traffic jams, parking problems, and all the noise, waste, and frustration that accompany these evils. The rapid rise in urban growth projected for the next generation can accentuate an incredible situation into one that is completely impossible.

We have no choice but to find some way to move people cheaply, quickly, and comfortably between their homes and places of work. Certainly, more highways are not the answer. One of their main effects is to attract more traffic and create greater problems in the urban areas. At the same time, they eat up tremendous areas of land, displace people and businesses, deface the landscape, and often are obsolete by the time they are finally opened to public use.

In many areas, new forms of transit must be tried, and this bill would help. In other areas, existing transit must be improved and upgraded and this bill would help here, too. In all areas, there is a need to coordinate the highway program with the new effort on mass transit; this bill would provide for cooperation and an exchange of information.

The main city in my State is a case in point to show the need for this bill. Honolulu is one of the most densely populated areas of land in the world. The island of Oahu has over 1,000 persons per square mile. It also has some of the best growing land in the State. As this metropolitan area grows, we are faced with the related and complex problem of encouraging orderly development, without undue damage to agricultural land, and making sure that people can move back and forth between various parts of the community with ease and speed. Already we have too many cars.

Our number of cars per mile of highway on Oahu is 182, as compared with the national average of 21, and this is bound to get worse in spite of our highway building program; current estimates show that our present number of cars will double to about 500,000 in 1980.

It seems obvious to me that we must find some new way of moving people. Presently, it is more convenient to drive a car to and from work, in spite of the traffic jams. A good mass transit system must overcome this balance of convenience so that most who drive will want to escape the rush hour ordeal by taking the train or the bus. Realistically, we should not expect the commuter to give up his car; but we may be able to get him to give up that second or even third car, and to leave his family car home for his wife while he commutes to work on the mass transit system.

Realistically, we cannot expect this to happen until we install a complete and efficient transit system. This will require a heavy capital outlay for new equipment and rights-of-way. And it will take a while for the new system to prove itself.

It is argued that present transit systems are inefficient and losing patrons; therefore, we cannot expect improvement with a new system. This ignores the basic dilemma of public transit today. Old equipment and high rate structures lead to fewer customers, which leads to falling revenues, which in turn leads to even higher rates and older equipment. This bill is aimed at breaking this vicious cycle and starting mass transit back on the road to wider use and lower fares.

It is argued that this program is expensive and merely a toe in the door for larger expenditures in the future. This program will cost money, to be sure. And if passed, it will probably be expanded to meet future need. But do not the highways cost money? The present Federal aid highway program totals \$41 billion, and about \$20 billion will be spent in urban areas. This is a lot of money to spend on a program which, when completed, will not meet the rush hour traffic needs in the cities.

Further, those who argue the expected costs of the mass transit bill, overlook many of the costs and losses which spring from our present situation. It is estimated that we lose about \$5 billion a year in this country today because of time and materials lost in traffic jams. What about the ever-increasing costs of highway construction, the loss caused by accidents, the expense to the car owner of gas, tires, and insurance, not to mention frayed nerves? Should not these all be counted as costs against present automotive travel?

It is argued that highways are paid for by the users and that mass transit would be subsidized. What is the current 9 to 1 matching on defense highways if it is not subsidy? Further, many of these highways are not completely financed by gas taxes alone; some areas finance the local share out of general obligation bonds which are paid back by all of the people whether they own a car or not.

It is argued that mass transit is wasteful because in offpeak hours, much equip-

ment will lie idle. This is true to a point, but what about cars and highways? What use does the multimillion dollar defense highway get in the off hours as compared with rush hours? What use does your personal car get while in the garage at night or in the parking lot during the day? There is monumental "waste" here and in the long run, it little matters that part of the waste is absorbed by the individual car owner; it is a charge against him just the same.

Some might argue that this bill will hurt the multitude of people and businesses that are based on the current automotive system of transportation. I do not see how this could be. With our rising population and affluence, the total number of cars in this country is not going to drop. Highways will continue to be built and gas stations operated. It is just that we will attempt to add another tool to our effort to move people efficiently in, out, and through our cities.

Mr. Chairman, this bill is long overdue. If we are ever to make our cities and sprawling suburbs into efficient machines for living and working, we must strike out in new directions and find new ways of moving people. This bill will help.

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

Mr. Chairman, it is my understanding that this committee amendment follows very closely the lines of the amendment and it improves on that which was written into H.R. 11158 in the 87th Congress. That was done in collaboration with the American Municipal Association and various representatives of private enterprise. Also, it is my understanding that this amendment is agreeable to them, having in mind the principle that private enterprise to the fullest extent possible should be permitted to cooperate in this program and that Government ought not to step in and do anything that private enterprise can and is willing to do on its own.

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

Mr. MULTER. Surely.

Mr. RAINS. The gentleman is absolutely correct. I meant to have stated in my remarks that these are practically the same amendments, stated in a little different and more legalistic language, that were in the bill that the gentleman referred to and which were developed in the hearings to which he referred.

Mr. MULTER. I am appreciative of that and I thank the gentleman for offering this amendment. I trust it will have the approval of the Committee.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. OLIVER P. BOLTON. I have not seen the amendment. Do I understand that it would prohibit any transit system, such as the New York Port Authority, from purchasing the assets of the Long Island Railroad, if that railroad were to go into bankruptcy?

Mr. MULTER. It would not prohibit any public authority from doing that. It would prohibit the public authority from using any moneys authorized or appropriated under this bill for the purpose of acquiring a going solvent railroad.

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There would be no financial help under this bill for that purpose.

Mr. OLIVER P. BOLTON. In other words, under this provision or amendment, the public authority could not bail out or purchase the equipment, the lines, the property, stations, or anything else with Federal grant or loan moneys, of any transit system that found itself in difficulty and wanted to go out of business; am I correct?

Mr. RAINS. The gentleman is incorrect.

Mr. OLIVER P. BOLTON. I am glad to know that. But I do not understand the amendment, then, and I would appreciate further clarification.

Mr. RAINS. The amendment does not provide that if a mass transit system is going out of business, or is about to go bankrupt, that it should not have some aid. But this amendment would prevent any force on the part of the municipal body to just taking over the authority whether or not private enterprise wanted it done.

Mr. OLIVER P. BOLTON. In other words, it is not required?

Mr. RAINS. They can sell it. You would not want to tie up private enterprise to the point where they could not sell it. This does not do that.

Mr. OLIVER P. BOLTON. But it prevents Federal moneys being used to purchase a private enterprise system?

Mr. RAINS. Not at all. It does not force them to do it but it does not prevent them from doing it.

Mr. OLIVER P. BOLTON. I just do not understand the amendment.

Mr. MULTER. Mr. Chairman, am I not correct that this, however, would not permit the public authority to condemn a private enterprise, such as a mass transportation system?

Mr. RAINS. The gentleman is correct.

Mr. MULTER. It could not force them out of business merely because the public authority wanted to take over the project?

Mr. RAINS. The gentleman is correct.

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

Mr. MULTER. I yield.

Mr. BROCK. Is it not true that the amendment does suggest that as its intent, but it gives the Administrator authority to approve such a purchase?

Mr. MULTER. I do not think that the language of the amendment would go as far as the gentleman suggests. I think the legislative history being made here now would eliminate any doubt that might be aroused by a cursory or hasty reading of the language. I think the language means exactly as explained by the gentleman from Alabama and myself.

Mr. BROCK. In other words, the intent is to put in the exception in the case of bankruptcy; or is that so that the Administrator would have the authority?

Mr. MULTER. It only emphasizes the point that I made that if private enterprise cannot or will not run the mass transportation system and it were still needed, then the governmental author-

ity could step in and do it, but not otherwise.

Mr. BROCK. The burden of proof then is upon the Administrator.

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

Mr. MULTER. I yield to the gentleman.

Mr. McDOWELL. Mr. Chairman, I am in support of the bill H.R. 3881, the Mass Transportation Act, and also in support of the amendments now under discussion known as the Rains amendments concerning private enterprise in the bill.

Mr. Chairman, H.R. 3881 would authorize the Housing and Home Finance Administrator to make grants and loans to States and local governmental bodies to provide additional financial assistance for the development of comprehensive and coordinated mass transportation systems in metropolitan and other urban areas. The bill is a direct result of recommendations made by former President Kennedy in his transportation message to Congress, April 5, 1962. It is similar to S. 6, which passed the Senate on April 4, 1963. The Senate bill, however, contains a number of additional provisions which are not contained in H.R. 3881.

The railroad industry supports H.R. 3881 as an implementation of an important part of the transportation program recommended by former President Kennedy. The industry favors all of those recommendations as constituting a forward-looking and comprehensive program of legislation for the correction of many of the problems contributing to the continuing deterioration of this country's transportation system.

All railroads are not directly confronted with the urban mass transportation problem but because of the physically integrated service provided by railroads and their closely knit relationship to each other, the detrimental effects now accruing from problems in urban mass transportation spill over to the detriment of all rail carriers.

H.R. 3881 recognizes that primary responsibility for urban mass transportation should not fall upon the railroads but instead is a general public responsibility and a responsibility particularly of the States and communities most directly affected. An orderly approach to the problems of urban mass transportation must include extensive coordination and programing. The failure to have such coordination and programing has led to extensive public expenditures for urban area highways which are incapable of handling daily peak traffic flows. The net result is an even greater hardship for competing rail mass transportation media which, without public assistance, are called upon to maintain the service necessary to meet the peak traffic flows. H.R. 3881 would provide for the necessary planning and coordination to meet the growing needs of the urban areas.

H.R. 3881 would not grant subsidies to railroad companies. Recognizing the public nature of the problem the grants or loans which would be authorized, would be made directly to States and local governments or their authorized agencies to be used subject to their con-

trol. The procedure adopted by H.R. 3881 of making direct grants or loans only to States and local public bodies and agencies thereof is sound so long as those bodies are authorized—as they would be—to utilize such funds to assist private transportation companies where appropriate. Proper and coordinated use of existing suburban rail facilities should be a major factor in providing a solution to the urban mass transportation dilemma.

The \$500 million authorization for grants and loans to States and local governments or their authorized agencies contained in H.R. 3881 would be of great advantage in providing the public a satisfactory mass transportation service which has otherwise proven to be impossible. Some of the purposes for which the Federal financial assistance might be used by the local authorities could be the reconstruction and preservation of existing facilities, purchasing new equipment, constructing parking facilities in suburban stations, modernizing certain stations, and providing some grade separations.

In short, the provisions of H.R. 3881 may well offer answers to one of the basic transportation problems of this era and should be enacted together with the other forward-looking proposals contained in former President Kennedy's transportation message.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield further?

Mr. MULTER. I yield.

Mr. OLIVER P. BOLTON. I have just had the opportunity of seeing the amendment. As I understand the exceptions this would put the responsibility of decision upon the Administrator. He is fully within his judgment as to whether or not the assistance is essential to the program or to the network to be purchased?

Mr. MULTER. That is correct. But the judgment must be based on facts and evidence and not be arbitrary or capricious.

Mr. OLIVER P. BOLTON. Then, basically, this really does not change the language of the bill at all, the intent of the bill; is not that correct?

Mr. MULTER. If the gentleman means the intent is as expressed by the gentleman from Alabama [Mr. RAINS] and myself who understand that to be the intent, then I go along with the gentleman and say this does not change the intent of the bill.

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

Mr. OLIVER P. BOLTON. Mr. Chairman, I move to strike the requisite number of words.

If the gentleman from New York would give me his attention, the first part of the amendment takes some time in describing when no financial assistance can be used and then states under No. 1:

That the Administrator finds that such assistance is essential to the program for unified or efficiently coordinated urban transportation system.

I gather that under this amendment if it is so decided by the Administrator in the complete and full breadth of his judgment, without limitation, that the

situation is just as it was before this amendment was offered?

Mr. MULTER. If the gentleman will yield, I cannot go as far as the gentleman does in his language when he says:

The full breadth of his discretion and judgment and without limitation.

I would certainly have in mind that no Administrator is going to be permitted to act arbitrarily or capriciously. He must act with discretion and with good judgment and not just walk in and say, "Look, I say this is essential and, therefore, I am going to take over this private enterprise." There must be reason behind his discretion and judgment.

Mr. OLIVER P. BOLTON. I appreciate the gentleman's thoughtful consideration, but under this amendment and under the language of this amendment the burden is put solely upon the decision of the Administrator; is that correct?

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

Mr. OLIVER P. BOLTON. Yes, I yield to the gentleman from Alabama.

Mr. RAINS. Of course, the gentleman makes a mountain out of a molehill. That is true in every single thing we write. It is in the discretion of the Secretary of the Army about what is to be done with so and so, it is in the discretion of the Secretary of the Department of Labor, and is in the discretion of the Secretary of the Department of Agriculture. One would not want to write any type of bill which denied discretion to be placed in the hands of someone. You have to put the discretion, based upon the facts and the evidence, and the assumption that he is going to be fair and just. It has to be done that way. I agree with the gentleman that that is correct.

Mr. OLIVER P. BOLTON. I appreciate the fact that the gentleman does agree, because once that decision is made by the Administrator, there is very little difference caused by this amendment.

Mr. RAINS. If the gentleman will yield further, I think this amendment—I do not want to say at all that it ties his hands—gives the Administrator a great deal more direction in the private enterprise way than the bill as originally drawn. I am convinced that it does that. It gives him more direction than the other bill.

Mr. OLIVER P. BOLTON. I appreciate the gentleman from Alabama and the gentleman from New York clearing up my questions.

Mr. HARVEY of Michigan. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as far as I can see the only similarity between this amendment and the free enterprise system is the catchy slogan which has been used by gentleman from Alabama [Mr. RAINS] and which he has attached to this amendment.

Mr. Chairman, I believe the most you could say for it is that it pays lip service to free enterprise in this country.

Mr. Chairman, I would like to quote for 1 minute the testimony of Mr. Bernard E. Calkins who operates the Rapid Transit System in Houston, Tex., and Wichita, Kans., when he was asked a

question in hearings on this program. Here is the question:

Now, if the private companies will be required to apply for grants through governmental agencies, do you see a danger that that may be a lever to drive private enterprise out of existence and convert these mass transit systems into governmentally operated systems?

Mr. Calkins answered as follows:

Yes; I do. In fact, I stated in my testimony that I thought it would hasten the day when private enterprise would go out of business through the pressure of the city-owned advocates.

Then he goes on to say as follows:

If I have to go through the cities, the city body, to either get a loan or a grant, if that should be the case, I can foresee that there will be a clamor on the part of the local administration to say "We are not going to get this money so you can make money. If we are going to get this money, we are going to go into the business ourselves. I think that is an inevitable conclusion."

Mr. Chairman, I cannot see how this amendment changes that one bit. The exceptions this amendment sets up are artificial exceptions, as I see it. They provide that the Administrator has to find it is an essential program. I assume it is essential. Then the Administrator has to find that the program to the maximum extent feasible provides for mass transportation. I think that is paying lip service to free enterprise. The most you can say for the amendment is it is an additional exception, but beyond that as far as I can see that is all there is to it.

Under these circumstances, Mr. Chairman, I simply cannot support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. RAINS].

The amendment was agreed to.

The Clerk read as follows:

LONG-RANGE PROGRAM

Sec. 4.(a) Except as specified in section 5, no Federal financial assistance shall be provided pursuant to section 3 unless the Administrator determines that the facilities and equipment for which the assistance is sought are needed for carrying out a program, meeting criteria established by him, for a unified or officially coordinated urban transportation system as a part of the comprehensively planned development of the urban area, and are necessary for the sound, economic, and desirable development of such area. Where facilities and equipment are to be acquired which are already being used in mass transportation service in the urban area, the program must provide that they shall be so improved (through modernization, extension, addition, or otherwise) that they will better serve the transportation needs of the area. The Administrator, on the basis of engineering studies, studies of economic feasibility, and data showing the nature and extent of expected utilization of the facilities and equipment, shall estimate what portion of the cost of a project to be assisted under section 3 cannot be reasonably financed from revenues—which portion shall hereinafter be called "net project cost". The Federal grant for such a project shall not exceed two-thirds of the net project cost. The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds, and no refund or reduction of that portion so provided shall be

made at any time unless there is at the same time a refund of a proportional amount of the Federal grant.

(b) To finance grants under this Act there is hereby authorized to be appropriated at any time after its enactment not to exceed \$100,000,000 for fiscal years 1963 and 1964; \$200,000,000 for fiscal year 1965; and \$200,000,000 for fiscal year 1966. Any amount so appropriated shall remain available until expended; and any amount authorized but not appropriated for any fiscal year may be appropriated for any succeeding fiscal year. The Administrator is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes, as amended, to make advance or progress payments on account of any grant made pursuant to this Act.

Mr. DOWNING. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time to ask the gentleman from Alabama [Mr. RAINS] a question. As I understand the bill, section 3 authorizes grants and loans to carry out the purposes of the act. Then on page 23 of the bill, in section (d) the words are:

There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the funds necessary to carry out all functions under this Act except loans under section 3. All funds appropriated under this Act for other than administrative expenses shall remain available until expended.

Section 4 of the bill authorizes \$500 million to be appropriated for grants. What are we talking about in section (d) on page 23 when we say there are hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated the funds necessary to carry out the functions of the act?

Mr. RAINS. That is the usual language. That provides for administrative expenses of carrying out the act. That is the usual statement you run into in every one of these acts. It is up to the Appropriations Committee as to what they will put in. It has to come up in a budget request, for the Appropriations Committee to pass upon.

Mr. DOWNING. Those words would not include money for loans?

Mr. RAINS. It would not.

Mr. DOWNING. Now, on page 16, there is wording which sets forth how these loans are to be made under the old Housing Act of 1955.

I wonder if the gentleman will explain to me just how that is to be accomplished.

Mr. RAINS. The gentleman will recall that in 1961 this issue was up at the time we had the housing bill under consideration. It was \$50 million that was written into the 1961 housing bill. Only a part of that has been expended.

Mr. DOWNING. How much money is in that?

Mr. RAINS. About \$47 million is remaining. What that does, that particular money plays no part in the amount of this specific bill. That is already over and gone, because we authorized that money in 1961.

Mr. DOWNING. I wonder if the gentleman will tell me how much it is expected the Government will guarantee in loans during the first year of the bill.

Mr. RAINS. There are no loan guarantees in this bill at all. The only thing

in this bill, as I said in the general debate, and as I will say to the gentleman from Virginia now, is the grant authority, and I expect to offer an amendment to cut the \$500 million to \$375 million. It is expected, I might say—this is from the administration—that only about \$10 million will be expended this year because of the long-term contract lead time that is necessary.

Mr. DOWNING. I thank the gentleman.

AMENDMENT OFFERED BY MR. RAINS

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

The Clerk read as follows:

Amendment offered by Mr. RAINS: Page 16, after the period in line 23, insert the following new sentence: "Such program shall encourage to the maximum extent feasible the participation of private enterprise."

Mr. RAINS. Mr. Chairman, that is a continuation of the private enterprise amendment, which is the very same language. It fits into this particular section. I see no objection to it, Mr. Chairman.

The CHAIRMAN. Without objection, the amendment is agreed to.

There was no objection.

AMENDMENT OFFERED BY MR. RAINS

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

The Clerk read as follows:

Amendment offered by Mr. RAINS:

Page 17, lines 19 and 20, strike out "\$100,000,000 for fiscal years 1963 and 1964" and insert "\$75,000,000, for fiscal year 1965".

Page 17, line 20, strike out "\$200,000,000 for fiscal year 1965" and insert "\$150,000,000 for fiscal year 1966".

Page 17, lines 20 and 21, strike out "\$200,000,000 for fiscal year 1966" and insert "\$150,000,000 for fiscal year 1967".

Mr. RAINS. Mr. Chairman, this is the amendment which I mentioned in the general debate. It would provide \$75 million in authorization for the first year and \$150 million for each of the second and third years, for a total of \$375 million.

The bill as reported by the committee would authorize \$100 million for the first year and \$200 million in each of the second and third years, for a total of \$500 million.

I am frank to say that I offered this amendment because in my judgment it will help the bill.

Most important, also, it would conform to the amounts of grants authorized in the Senate-passed bill and would considerably reduce the area of disagreement between the two Houses.

I believe the administration will not oppose the reduction in the total cost of the bill even though there is \$500 million in the budget for 2 years, particularly since the administration budget request for 1965 is for \$75 million.

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

Mr. HARVEY of Michigan. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman.

Mr. HARVEY of Michigan. Mr. Chairman, I have no objection to this amendment, but I have considerable difficulty in understanding why it is offered in the light of the supposed tremendous

demand that I have heard expressed here in the last day and one-half with regard to this bill. I certainly would want to call to the attention of the Members of the House that what this bill does under the 12½ percent provision is reduce the actual amount that any particular State could get.

Mr. RAINS. The gentleman is not opposing reducing the amount here; is he?

Mr. HARVEY of Michigan. No; I am not. But I am calling to the attention of the Members that this represents a reduction of \$62½ million down to \$46 million, as near as I can figure it.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman.

Mr. OLIVER P. BOLTON. The gentleman would agree that under this \$46 million limitation per State, this will mean that each transit plan that is now ready to go is going to be further delayed because there will not be enough Federal money.

Mr. RAINS. No, I do not agree with that. The assumption is that it would take the full amount of \$46 million. I do not agree with the gentleman's statement or interpretation of this in the way that he put it. I would agree that the total amount of money will be reduced percentage-wise in the ratio of what \$125 million is to \$500 million.

Mr. OLIVER P. BOLTON. The gentleman would also agree that if there is not sufficient money to meet the demand that is stated to exist within a State that, therefore, because the amount of money has been reduced, those States that are planning are going to have to go further and further back in line of priority and, therefore, their plans will be put off further and further.

Mr. RAINS. Is the gentleman proposing that we increase the bill? Does the gentleman want to vote for an increase?

Mr. OLIVER P. BOLTON. I am going to vote against the bill as the gentleman well knows. But if plans are going to be made, let us put enough money in at least to start a real job getting done.

Mr. RAINS. I will be glad to vote for the gentleman's amendment if he will vote for the bill, if he wants to increase this amount. Of course, that is my personal statement.

Mr. OLIVER P. BOLTON. I think I have made my position quite clear on the bill.

Mr. RAINS. Would the gentleman make himself clear on whether or not he favors a reduction in the amount?

Mr. OLIVER P. BOLTON. I believe the gentleman knows that one of the reasons why I am opposed to the bill is that actually it is my belief, as has happened in so many Federal aid programs, that by the Federal Government intervening in this field, it will actually slow down and not speed up the solution of the mass transit problems in those areas where they are acute and where they really have financial ability.

Mr. RAINS. Of course, that is a rather philosophical discussion and not a clear statement as to whether the gentleman wants to cut the money or not.

Mr. Chairman, I ask for a vote to reduce the \$500 million to \$375 million.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. RAINS].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

EMERGENCY PROGRAM

Sec. 5. Prior to July 1, 1966, Federal financial assistance may be provided pursuant to section 3 where (1) the program for the development of a unified or officially coordinated urban transportation system, referred to in section 4(a), is under active preparation although not yet completed, (2) the facilities and equipment for which the assistance is sought can reasonably be expected to be required for such a system, and (3) there is an urgent need for their preservation or provision. The Federal grant for such a project shall not exceed one-half of the net project cost: *Provided*, That where a Federal grant is made on such a one-half basis, and the planning requirements specified in section 4(a) are fully met within a three-year period after the execution of the grant agreement, an additional grant may then be made to the applicant equal to one-sixth of the net project cost. The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds, and no refund or reduction of that portion so provided shall be made at any time unless there is at the same time a refund of a proportional amount of the Federal grant.

AMENDMENT OFFERED BY MR. RAINS

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

The Clerk read as follows:

Amendment offered by Mr. RAINS: On page 18, line 5, strike out "1966" and insert "1967".

Mr. RAINS. Mr. Chairman, I assume there is no objection to the amendment. It merely changes the date.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. RAINS].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROJECTS

Sec. 6. (a) The Administrator is authorized to undertake research, development, and demonstration projects in all phases of urban mass transportation (including the development, testing, and demonstration of new facilities, equipment, techniques, and methods) which he determines will assist in the reduction of urban transportation needs, the improvement of mass transportation service, or the contribution of such service toward meeting total urban transportation needs at minimum cost. He may undertake such projects independently or by contract (including working agreements with other Federal departments and agencies). In carrying out the provisions of this section, the Administrator is authorized to request and receive such information or data as he deems appropriate from public or private sources.

(b) The Administrator may make available to finance projects under this section not to exceed \$10,000,000 of the mass transportation grant authorization provided in section 4(b), which limit shall be increased to \$20,000,000 on July 1, 1964, and to \$30,000,000 on July 1, 1965. In addition, notwithstanding the provisions of section 4 of this Act or of section 103(b) of the Housing Act of 1949, the unobligated balance of the amount available for mass transportation demonstration grants pursuant to the proviso

in such section 103 (b) shall be available solely for financing projects under this section.

(c) Nothing contained in this section shall limit any authority of the Administrator under section 602 of the Housing Act of 1956 or any other provision of law.

AMENDMENT OFFERED BY MR. RAINS

Mr. RAINS. Mr. Chairman, I offer a technical amendment.

The Clerk read as follows:

Amendment offered by Mr. RAINS: On page 19, line 22, strike out "1964" and "1965" and insert "1965" and "1966", respectively.

Mr. RAINS. Mr. Chairman, I assume there is no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RELOCATION REQUIREMENTS AND PAYMENTS

Sec. 7. (a) No financial assistance shall be extended to any project under section 3 unless the Administrator determines that an adequate relocation program is being carried on for families displaced by the project and that there are being or will be provided (in the same area or in other areas generally not less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the displaced families) an equal number of decent, safe, and sanitary dwellings available to those displaced families and reasonably accessible to their places of employment.

(b) Notwithstanding any other provision of this Act, financial assistance extended to any project under section 3 may include grants for relocation payments, as herein defined. Such grants may be in addition to other financial assistance for the project under section 3, and no part of the amount of such relocation payments shall be required to be contributed as a local grant. The term "relocation payments" means payments by the applicant to individuals, families, business concerns, and nonprofit organizations for their reasonable and necessary moving expenses and any actual direct losses of property, except goodwill or profit, for which reimbursement or compensation is not otherwise made, resulting from their displacement by the project. Such payments shall be made subject to such rules and regulations as may be prescribed by the Administrator, and shall not exceed \$200 in the case of an individual or family, or \$3,000 (or if greater, the total certified actual moving expenses) in the case of a business concern or nonprofit organization. Such rules and regulations may include provisions authorizing payment to individuals and families of fixed amounts (not to exceed \$200 in any case) in lieu of their respective reasonable and necessary moving expenses and actual direct losses of property.

COORDINATION OF FEDERAL ASSISTANCE FOR HIGHWAYS AND FOR MASS TRANSPORTATION FACILITIES

Sec. 8. In order to assure coordination of highway and railway and other mass transportation planning and development programs in urban areas, particularly with respect to the provision of mass transportation facilities in connection with federally assisted highways, the Administrator and the Secretary of Commerce shall consult on general urban transportation policies and programs and shall exchange information on proposed projects in urban areas.

Mr. GILL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time merely to ask the gentleman from Alabama a question.

It has been my understanding that problems have arisen in some of the localities over plans for overall transportation systems, between those who wish to coordinate all forms of mass transportation and those who are primarily responsible for planning highway uses. If the gentleman from Alabama could inform me, I wonder whether it is the intention of this section to insure that those who deal with highway planning and those who deal with overall planning of transportation in any given locality will work closely together so that there may be a minimum of disruption through rights-of-way acquisitions and alignments of corridors of travel and a maximum of coordination of all forms of transportation to the end that they may develop the most efficient combined system of transportation for the area?

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

Mr. GILL. I yield to the gentleman from Alabama.

Mr. RAINS. I will say to the gentleman that, as shown in section 8 on page 21 of the bill, while there is no directive—and the committee would have no authority to write in law affecting a highway system—the language encourages the very type of cooperation about which the gentleman inquires. It would be the committee's hope, and I am sure that of the Congress, that there would be coordinated planning. There is nothing specific in the bill to direct the Public Roads Administration or anyone else to do any specific thing in that regard. I feel certain the gentleman understands that the committee would have no jurisdiction in that particular instance.

The solution to the question raised by the gentleman, as suggested by the question, would be encouraged under the terms of the bill.

Mr. GILL. I thank the gentleman.

Mr. OLIVER P. BOLTON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time at this point in the bill to discuss a motion to recommit which I hope to introduce if I have the opportunity.

Let me say first that the motion to recommit is directed to the engineering studies which are now being conducted in the field of urban transportation and will suggest that the bill be referred back to the Committee on Banking and Currency until these engineering studies are in and can be thoroughly digested.

Mr. Chairman, the meaning of the instructions included in this motion to recommit can be explained in a few words.

Regardless of the fact that the bill before us for political reasons applies to every community of 2,500 population or more, we all know that mass transit is a problem affecting primarily larger cities. In this regard, section 9 of the Federal-Aid Highway Act of 1962 set in motion the largest, most detailed, most expensive Federal study of a single problem in our Nation's history. In effect, through 1 and 1½ percent highway trust fund research money and section 701

money from the Housing Act, well over \$100 million, has been expended in the last 3 years alone by the 219 cities of 50,000 population or more in the development of a continuing, comprehensive planning process embracing all modes of urban mass transportation. All but 70 of the 219 cities already have submitted to the Department of Commerce their urban transit plans and the law states that all have to be in good order by July 1, 1965, 1 year from now, or face the possibility of being cut off from Federal-aid highway funds. I am advised that by July 1 of next year, over \$150 million of Federal funds will have been expended by these cities for these plans.

Because this planning process is a recent development, neither the Senate nor the House Banking and Currency Committees in considering the mass transit bill, had an opportunity to evaluate these plans and of the thousands of pages of Senate and House testimony hardly a dozen pages referred to any of these plans. Secondly, this recommitment would permit the House to first consider the results of the mass transportation demonstration and research projects authorized under section 303 of the Housing Act. Again, only a few of these projects were well enough along the way to permit congressional evaluation. And incidentally, since then two of them have stopped. Mr. Chairman, before the Congress embarked upon the \$40 billion Federal-Aid Highway Act, no less than 20 years were spent in processing extensive engineering plans. There is no doubt in my mind that this long range planning process prior to 1956 was the chief reason for the tremendous success of our highway program.

With approval of this motion to recommit, Congress would have the opportunity to better evaluate what everyone acknowledges to be a multibillion-dollar problem. With these instructions we are not saying it is a Federal responsibility, nor are we saying it is not a Federal responsibility. What we are saying is that we should take a long, hard look at the vastly diversified plans submitted by these 219 cities and then make a determination based upon knowledge, not political expediency; based upon engineering facts, not oratory.

Let me say, Mr. Chairman, that there will be those who would say that so to delay this will hold up the solution of a crisis. I would point out to this House that this bill, considered and passed by the Committee on Banking and Currency, has been lying around for many, many months. The suggestion that I have would take no more time than has been taken by the delay in its consideration here on the floor of the House.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

GENERAL PROVISIONS

Sec. 9. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this Act, the Administrator shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties set forth in section 402, except subsections (c) (2) and (f), of the Housing Act of 1950. Funds obtained or held by the Administrator in connection with the

performance of his functions under this Act shall be available for the administrative expenses of the Administrator in connection with the performance of such functions.

(b) All contracts for construction, reconstruction, or improvement of facilities and equipment in furtherance of the purposes for which a loan or grant is made under this Act, entered into by applicants under other than competitive bidding procedures as defined by the Administrator, shall provide that the Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall, for the purpose of audit and examination, have access to any books, documents, papers, and records of the contracting parties that are pertinent to the operations or activities under such contracts.

(c) As used in this Act—

(1) the term "States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States;

(2) the term "local public bodies" includes municipalities and other political subdivisions of States; public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States; and public corporations, boards, and commissions established under the laws of any State;

(3) the term "Administrator" means the Housing and Home Finance Administrator;

(4) the term "urban area" means any area that includes a municipality or other built-up place which is appropriate, in the judgment of the Administrator, for a public transportation system to serve commuters or others in the locality taking into consideration the local patterns and trends of urban growth; and

(5) the term "mass transportation" means transportation by bus or rail or other conveyance, either publicly or privately owned, serving the general public (but not including school buses or charter or sightseeing service) and moving over prescribed routes.

(d) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the funds necessary to carry out all functions under this Act except loans under section 3. All funds appropriated under this Act for other than administrative expenses shall remain available until expended.

AMENDMENT OFFERED BY MR. TAFT

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

The Clerk read as follows:

Amendment offered by Mr. TAFT: Page 24, after line 3, insert the following new subsection:

"(e) The Administrator shall not regulate in any manner the rates, fares, tolls, rentals, or other charges fixed or prescribed by any local public or private transit agency."

Mr. TAFT. Mr. Chairman, yesterday on the floor, and as reported in the CONGRESSIONAL RECORD published this morning, there was a colloquy between the gentleman from Alabama and myself relating to the powers of the Administrator. At that time I believe it was made clear that it was not the intention of the committee nor the intention of the gentleman from Alabama that the HHFA Administrator should be given the right to regulate in any manner the rates, fares, tolls, rentals, or other charges fixed or prescribed by the local public or private transit agency for its operation, even though that transit agency might have received assistance by way of a grant or by way of a loan under the act.

I have eliminated from the provision, as was discussed yesterday, the right of the Administrator, or any prohibition upon the right of the Administrator to regulate the mode of operation, since this might have been somewhat unclear and perhaps limited unduly the conditions which might be imposed upon the granting of aid so far as the efficiency and other steps intended to improve the operation were concerned.

I do think it certainly should be the intention of this House to make it abundantly clear that under no circumstances shall the power to be given the Administrator under this bill be a rate-regulating power. We do not intend to take away from the State or local agency which has the rate-making power, that power. We do not intend in the case of any transit agency, be it public or private, to prevent it from setting its own rates. Nor do we intend as, for instance, in the case of my own city of Cincinnati, to prevent them from operating under the cost type of franchise, which would relate cost to rates.

Therefore, I think the adoption of this amendment would be helpful as a clarification of the provisions of the bill.

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

Mr. TAFT. I yield.

Mr. MULTER. Mr. Chairman, the question I desire to address to the gentleman from Ohio is this. If the amendment prevails will this perfect the bill to the extent that he can vote for it?

Mr. TAFT. As the gentleman well knows it would not perfect it to the extent that I could vote for the bill, as indicated by the minority views. The question of fiscal responsibility would make it difficult to support a vote for the bill on my part. I think there are many other provisions of the bill that are wholly unsatisfactory. I disagree with the basic concept of the bill.

The gentleman from Alabama [Mr. RAINS] yesterday indicated that under the labor amendment discussion that I was making a lefthanded attack upon the bill. I want to assure the gentleman that I am not going to restrict myself to my left hand. I will use my right hand and my left hand and anything else I can get.

Mr. MULTER. If the gentleman will yield further, without impugning the motives of the gentleman, I am always suspicious of an amendment which is offered by one who is opposed to the bill.

Mr. TAFT. I would hope that the gentleman from New York would give me the confidence to recognize that perhaps it might be a good idea to correct proposed bills and legislation if there is a chance that they are going to pass, even though one is not going to vote for the bill.

Mr. MULTER. If the gentleman will yield further, I do not suspect the gentleman's motives. I merely suspect the merits of the amendment.

Mr. TAFT. I cannot agree with the gentleman. If the gentleman desires to comment on the merits of the amendment, I am sure the members of the committee will be glad to hear his comments.

SUBSTITUTE AMENDMENT OFFERED BY MR. RAINS

Mr. RAINS. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. RAINS to the amendment offered by Mr. TAFT: Page 24, after line 3, insert the following new subsection:

"(e) None of the provisions of this Act shall be construed to authorize the Administrator to regulate in any manner the mode of operation of any mass transportation system with respect to which a grant is made under section 3 or, after such grant is made, to regulate the rates, fares, tolls, rentals, or other charges fixed or prescribed for such system by any local public or private transit agency; but nothing in this subsection shall prevent the Administrator from taking such actions as may be necessary to require compliance by the agency or agencies involved with any undertakings furnished by such agency or agencies in connection with the application for the grant."

Mr. RAINS. Mr. Chairman, as is evident from the substitute which I have offered, I agree with the general objectives of the gentleman from Ohio. The gentleman from Ohio knows very well that the reason he does not want to support the substitute amendment is because his amendment would tie the hands of the Administrator and keep the grants from being made. In other words, if you are going to say to the Administrator, "Here you have Federal money with which to make the grant, but you will have nothing to say before you turn the money loose. Now, you have to turn it loose whether you want to or not, without having even an inquiry as to what the rates or fares are going to be."

Mr. Chairman, my substitute amendment merely says that once the grant is made he shall not be able to run it. But, certainly, we would not want to require him to have nothing to do with what the tolls and rates are going to be before he turns loose the money.

So, let us just lay it out plainly on the table. The only purpose of that particular one or two words' difference between the amendment and the substitute is this: One is meant not to let it happen; the other is meant to see to it that once the grant is made the Administrator does not run their business. That is exactly what it means.

Certainly, the Administrator has to know what the fares are, and if they are not justifiable, he needs to know whether or not they will be brought into line. One would not expect him to make the grant blindly. Therefore, it might sound like a small difference, but it is most significant.

I hope the substitute amendment will carry, Mr. Chairman.

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

Mr. Chairman, it is true that there is only a slight difference in the wording of this amendment and the one proposed by me. However, this slight difference is so considerable that it completely negates the meaning of the amendment as I offered it. The wording that is added by the substitute amendment would make considerable change because I think it will show the members of the Committee very clearly that it takes away any meaning, any prohibition against or any

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limitation, in effect, upon the right of the Administrator to regulate rates and make more and more clear the evident intention of those who drafted this bill and the amendment to give the Administrator the right under circumstances of his choosing to regulate the rates, which indeed he can, but not the conditions of the original grant or loan involved.

I might say that the substitute amendment does not apply to loans at all. There is no limitation on ratemaking power. I believe there is an implication in the substitute that under the loan provision of the bill there is a right to regulate rates.

Let me read you this language. It says:

But nothing in this subsection shall prevent the Administrator from taking such actions as may be necessary to require compliance by the agency or agencies involved with any undertakings furnished by such agency or agencies in connection with the application for the grant.

In other words, the only thing the Administrator has to require is that in the application there be a grant to him of the right to regulate fares and rates in any way he desires to do so. That is the true meaning of the substitute as compared with the amendment I have offered. I urge defeat of the substitute.

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

Mr. Chairman, I seek a little information concerning this bill. Do I understand this bill provides that facilities can be built through the use of these funds for stations, which would house restaurants, barbershops, and that sort of thing, or any other structure that might house restaurants and barbershops?

Mr. RAINS. The gentleman is talking about barbershops that may be located in railroad stations.

Mr. GROSS. It is strictly limited to stations?

Mr. RAINS. Absolutely.

Mr. GROSS. Nothing else?

Mr. RAINS. Nothing else.

Mr. GROSS. I thank the gentleman.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Alabama [Mr. RAINS], for the amendment offered by the gentleman from Ohio [Mr. TAFT].

Mr. TAFT. Mr. Chairman, on that I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. PATMAN and Mr. TAFT.

The Committee divided, and the tellers reported that there were—ayes 122, noes 90.

So the substitute was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TAFT] as amended by the substitute.

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SAYLOR

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

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: On page 22, after line 24, insert:

"(c) All contracts for construction, reconstruction, or improvement of facilities

and equipment in furtherance of the purposes for which a loan or grant is made under this Act shall provide that in the performance of the work the contractor shall use only such manufactured articles as have been manufactured in the United States."

And redesignate the succeeding subsections accordingly.

Mr. SAYLOR. Mr. Chairman, the amendment I have offered has the effect of meaning that this bill will actually be of some benefit not only to this country as far as mass transportation is concerned but it will also be a means of seeing to it that the moneys which will be expended by the Administrator will be spent for the benefit of people in this country. Unfortunately, from time to time we have seen other good bills with high intentions passed and then found the money was all spent in foreign countries.

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

Mr. SAYLOR. I yield to the gentleman from Alabama.

Mr. RAINS. As I understand the gentleman's amendment, it would require not only that any manufactured product, such as say a locomotive, be manufactured in the United States but that substantially all its manufactured component parts likewise be produced in the United States. Is that correct?

It would be aimed at providing jobs as well as providing business to be done in this country; is that correct?

Mr. SAYLOR. That is correct. That is the purpose of the amendment.

Mr. RAINS. Mr. Chairman, so far as I speak, I think, for members of the committee on the majority side, I see no objection to the amendment and I am willing to accept it.

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

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

Mr. GROSS. This includes steel and all other structural materials?

Mr. SAYLOR. It includes steel and all other structural materials.

Mr. Chairman, before reaching a decision on this issue, I would suggest that Members of the House pause to calculate a bit on whether the bill before us might be used not only to stimulate the development of rapid transit systems but also as a means of effecting a rapid transition into better times for some of America's neglected industries and workers. Over the years I have heard many of my colleagues extol the potential of various legislative proposals calling for the expenditure of U.S. taxpayer funds, only to find that in the final analysis a considerable part of appropriations slither out of this country into the hands of foreign companies and businessmen.

H.R. 3881 as now amended calls for authorization of projects requiring an outlay of \$375 million, a large part of which will necessarily have to be spent for purchases of materials and equipment to be used in the rapid transit program. An expenditure of this size can jack up the business of manufacturers of rolling stock to be used on rails and highways and energized by either oil or electricity. It can open markets for

producers and suppliers of building equipment and a miscellany of other commodities. Thus, besides whatever commuting values this bill may offer, it can have the collateral advantage of creating potential demand for commodities in which Pennsylvania manufacturers specialize: railroad cars, buses, electronic control systems, highway materials, glass, steel rails, and a host of other items. This consideration is of particular interest to my State because we have enjoyed little favor in the matter of defense and space contracts, in contrast to Southwestern and Far Western States whose economies are booming through the munificence of the Federal Government.

May I point out, Mr. Chairman, that I referred to potential demand for such products because I know from experience that alien interests will come in and gobble up a good share of the business unless proper safeguards are included in this legislation setting up the rapid transit program. We have suffered through authorizations and expenditures for giant turbines and generators to be used in the construction of Federal hydroelectric facilities, only to find American plants underbid by countries whose wage scales are far below established levels in the United States. We recall last month's shameful experience in which an increase in import quotas was permitted in order that a foreign fuel might displace domestic coal or oil in Federal buildings in the Washington area.

For this reason I have offered this amendment to H.R. 3881 specifying that:

(c) All contracts for construction, reconstruction, or improvement of facilities and equipment in furtherance of the purposes for which a loan or grant is made under this Act shall provide that in the performance of the work the contractor shall use only such manufactured articles as have been manufactured in the United States.

Without this amendment, there is no guarantee that American industry and labor would reap the benefit that could be available under the multibillion-dollar program that the Urban Mass Transportation Act of 1964 will develop over the long haul. Would it not be ironic, during a period when the administration is amassing an unprecedented array of fiscal equipment to conduct its war on poverty, to disregard a major opportunity for implementation of this attack?

I can assure you, Mr. Chairman, that the people of Pennsylvania would not for one minute enjoy riding into a metropolitan area on a train or bus manufactured abroad in competition with our own industries. Nor would we appreciate the services of an electrified rapid transit system propelled by power generated through foreign residual oil instead of coal from American mines. These are the eventualities Congress must preclude. It is essential that my amendment be adopted, to assure domestic production of all manufactured products as well as their component parts be built by American business with American labor.

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

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Mr. SAYLOR. I yield to the gentleman.

Mr. GURNEY. Mr. Chairman, the passage of the Urban Mass Transportation Act (H.R. 3881) would be a tragedy, I do sincerely believe. The problems of moving people in and out and about urban areas is peculiarly a local problem. It is not a matter for Federal intervention.

If this bill is passed by this House, the Federal Government will be injected into a new field where it has never trod before.

Another huge step will be taken in the direction of solving all local problems from Washington. Local initiative and responsibility will be further eroded. Yes, it will cease in this matter of mass transit.

What city will undertake to solve its own transportation problems with Uncle Sam stretching out his palm with a free, fat Federal handout. Another huge bureaucracy will be built up here in Washington with its redtape, slow procedure, and expensive waste.

I do not see how Republicans on my side of the aisle can support this bill, for surely it militates against our basic concept of government and individual initiative—that the Federal Government should enter only into those fields which have a national scope.

The precedent which would be established by the passage of this bill could be used as a wedge to enter into virtually any municipal activity sought to be taken over by the federally minded people—the big government boys.

I do not see how Democrats from areas other than large metropolitan areas can support this bill. For this is nothing less than a big city bill.

It will take tax money from districts all over the Nation and pour it in—one-half billion the first year, billions in succeeding years—to the big metropolitan areas.

I say this bill is a political gimmick designed to shore up the political machines of the big cities. For the House to use taxpayers' money for such a purpose is to do a great disservice to our constituents. It amounts to a failure to live up to our title of Representative, a failure to represent properly.

Why the so-called mass transit problem anyway? Big cities have always had this problem to cope with ever since we changed long ago from a rural to an urban society. If there is an acute problem today, it is largely because of either mismanagement in the past or a failure in the present to face up to the problem, or a combination of both.

What is there so magic in Federal intervention which will resolve this problem? Nothing, except easy money, a Federal handout, and a stuffing off of the problem on to the rest of the Nation.

For a repudiation of the position of the proponents of this bill, I call attention to an article in the U.S. News & World Report of June 22. It describes how Toronto, Canada's second largest city, has recently improved its transit system by construction of a new subway, the first in Canada, at a cost of \$67 million. The interesting thing is how it was financed—

by a combination of private capital, and city and Province money. No Dominion funds were used.

Of course, here in the United States, we have the fine example of San Francisco resolving its transit problems to the financial tune of nearly a billion dollars.

Let us for once here in the House exercise our independence, rise up and strike down this new scheme of Federal intervention; vote down, and relegate this wholly unnecessary spending program to the scrap heap where it belongs.

Mr. WIDNALL. Mr. Chairman, there is no objection to the amendment on the minority side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

LABOR STANDARDS

SEC. 10. (a) The Administrator shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed with the assistance of loans or grants under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended. The Administrator shall not approve any such loan or grant without first obtaining adequate assurance that required labor standards will be maintained upon the construction work.

(b) The Secretary of Labor shall have, with respect to the labor standards specified in subsection (a), the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 1332-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276c).

(c) It shall be a condition of the granting of any assistance under this Act that fair and equitable arrangements are made, as determined by the Administrator after consultation with and the concurrence of the Secretary of Labor, to protect the interests of employees affected by such assistance. Such protective arrangements shall include, without being limited to, such provisions as may be necessary for (1) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements; (2) the encouragement of the continuation of collective bargaining rights; (3) the protection of individual employees against a worsening of their positions with respect to their employment; (4) priority of employment or reemployment of employees terminated or laid off; and (5) paid training or retraining programs. In the case of employees of carriers by railroad subject to the provisions of part I of the Interstate Commerce Act, such arrangements shall include provisions protecting individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to section 5(2)(f) of such Act, and insuring the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements. The contract for the granting of any such assistance shall specify the terms and conditions of the protective arrangements.

AMENDMENT OFFERED BY MR. RAINS

Mr. RAINS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. RAINS: Page 24, line 23, strike out "the granting of".

Page 25, strike out lines 1 and 2 and insert in lieu thereof "are made, as determined by the Secretary of Labor."

Page 25, line 8, immediately before the semicolon, insert "or otherwise".

Page 25, line 8, strike out everything after "(2)".

Page 25, line 11, strike out "priority" and insert in lieu thereof "assurances".

Page 25, line 12, strike out "or" where it first appears and insert in lieu thereof "to employees of acquired mass transportation systems and priority of".

Page 25, line 13, strike out everything after the period, down through and including "such" in line 15, and insert in lieu thereof "Such".

Page 25, line 19, strike out "such Act" and insert in lieu thereof "the Act of February 4, 1887 (24 Stat. 379), as amended".

Page 25, line 19, strike out the comma and all that follows down through "agreements" in line 22.

Mr. RAINS. Mr. Chairman, in the amendment which the committee has already adopted to section 3 of the bill, we make sure that only in unusual instances will a privately owned transportation company be converted to public ownership and that when that happens the private company will receive just and adequate compensation under the laws of the State for the loss of their franchise and/or property.

In other words, the rights of such a private company would be fully protected and the company would be made whole as it should be. Likewise, as a matter of equity, we must make sure that the rights of the people who work for such companies so far as their job rights and job benefits and bargaining rights and so on are concerned would be protected in the event that such a private company was taken over.

Mr. Chairman, the committee bill already provides such protection for some of the workers involved. I want to emphasize this, this is not a departure.

The committee bill already provides such protection for some of the workers involved, such as those on the railroads, but not for others, such as bus drivers. It is hard for me to understand why anybody would want to treat bus drivers in a manner different from railroad workers.

The language in the committee bill, apparently, covers only those workers' rights which have been secured through collective bargaining. There are many instances, such as when a transportation company is not unionized, when many of these same benefits have been granted voluntarily to employees. I do not believe anybody would want to strike those down, in the event some transportation facility was taken over by a public body.

I believe that at least to some extent the language in the committee bill seems to favor certain types of workers as against others, railroads as against bus companies. That is the main reason why the amendment is offered today. Possibly the committee bill favors union workers against those who are not unionized. This was probably an unintentional oversight.

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We should make certain that private companies are given a fair deal and are not frozen out by publicly owned companies, so that all employees will be protected alike.

It is hard for me to see how anybody could fight this. Perhaps there will be a way.

What this actually will do is provide that in the event any privately owned mass transportation system—this is already in the committee bill and already in the Interstate Commerce Act—is taken over, the worker will be taken care of. The railroad workers are taken care of. Now we come along to the bus drivers and street car operators.

We worked this out. It was a difficult thing to do, I must confess. We found that certain of the workers, in the rare event a facility would be taken over by a public body, would not have the same rights that railroad workers now have under the Interstate Commerce Act. That is what we seek to do. We seek to give equity, justice and right to all the people who would be involved, who are now workers.

Any attack which is made on that section will have to be an attack leveled at the Interstate Commerce Act affecting railroad workers, because this is basically set on that particular thing, and that has been the law for 10, these many years.

In other words, if we are willing to allow this for railroad workers, as we have, certainly we ought to allow it for others.

Mr. Chairman, I wish to make this crystal clear. I hear all of these slogans. You know, when you have been in politics a long time you find out that the hardest thing to answer is a slogan. You cannot logically argue against a slogan.

I am going to state a plain fact. There is no featherbedding in this bill. I state another plain fact. There is no violation of anybody's right-to-work law in any State of the Union in this bill. I happen to come from a State that has one, and I have taken particular care.

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

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

Mr. GRIFFIN. I should like to ask the gentleman a question, in view of the statement he has just made.

Suppose that a transit company is having difficulty financially and that part of the reason why it is having difficulty is the fact that there are featherbedding practices. Suppose further that a company gets assistance under this act to take over that company.

Is it not true that under this amendment which the gentleman offers it would be impossible, even if the union should agree, to eliminate those featherbedding practices?

Mr. RAINS. There are no featherbedding practices in the bill.

Mr. GRIFFIN. The gentleman is not answering my question.

Mr. RAINS. Just a moment. I am going to answer it.

Mr. GRIFFIN. Suppose a situation exists in which there is a company in which there are featherbedding prac-

tices. We certainly know this is true in some instances. It is the very reason why, in some instances, transportation companies are having difficulty.

If that company were taken over by another company with assistance under this act, would it not be the fact that under the amendment those featherbedding practices could not be eliminated as a matter of law?

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

(By unanimous consent (at the request of Mr. GRIFFIN) Mr. RAINS was given permission to proceed for an additional 5 minutes.)

Mr. RAINS. I do not wish to prolong the debate. I will say to the gentleman, since he asked me a question I am going to answer the question.

In the first place, I do not admit, and the record will not show—as was the gentleman's statement—that there are featherbedding practices involved in the bill. That is not correct.

Secondly, I say to the gentleman that he is setting up a straw man, and saying "If so and so happened."

Certainly, if there were featherbedding and if they kept him on, but none of that is provided in this amendment. Under the Manpower Training Act which we enacted in this Congress, we provide for the retraining of these employees not only here but in all other types of things. On the railroads he would be taken care of under the same situation. There is no provision for any type of imaginary featherbedding in this amendment.

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

Mr. RAINS. Yes, I yield.

Mr. GRIFFIN. Under the interstate commerce provisions defining railroads at the present where there is a merger there is a 4-year limitation to the provision that an employee's situation cannot be worsened. Under your amendment to this bill it provides that as a minimum, but the Secretary of Labor can provide a longer period of time. Is that not correct?

Mr. RAINS. The gentleman would not expect us to try to change the situation which now exists in the Interstate Commerce Act, would he?

Mr. GRIFFIN. But the gentleman is going further than that, is he not?

Mr. RAINS. I do not think so.

Mr. GRIFFIN. Yes. He is giving the Secretary of Labor the power to make it a longer period.

Mr. RAINS. I disagree, because he only has the same authority that he has under the Interstate Commerce Act. If you are opposed to that, naturally you would be in opposition to this.

Mr. GRIFFIN. Will the gentleman yield further?

Mr. RAINS. Yes.

Mr. GRIFFIN. I notice that your amendment talks in terms of individual employees but there is no definition of what an employee is under this bill. Under the various labor acts, such as the Taft-Hartley Act and the Railway Labor Act, the definition of an employee is very simple. For example, is the vice president of one of these companies an employee, or what about the general man-

ager or the chairman? Are they employees or not? There is no way of telling in the bill. If they are employees, then their situation cannot be adversely affected, and your amendment is saying you can draw a distinction between management under your amendment.

Mr. RAINS. I must say to the gentleman I recognize the fact that he is a distinguished labor expert on those matters, but if he knows the law—and I know he does—the definition of an employee has been set so many times not only in the Congress but in the courts of this country that it is superfluous to say who is an employee and who is not.

Mr. GRIFFIN. I would remind the gentleman that the word "employee" is defined in a good many different ways under the various acts and it can be very important as to what the definition of "employee" means here.

Mr. RAINS. I point out to the gentleman that in practically every bill on which this Congress acts that has to do with employment and unemployment the basic general definition of "employee" is what takes precedence, of course.

Mr. GRIFFIN. I thank the gentleman for yielding to me.

Mr. RAINS. Thank you.

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

Mr. Chairman, I believe each of the Members of the House received from me a day or so ago a letter outlining my objection to this amendment which I thought would be proposed. First of all I would like to assure you the amendment as proposed is in the exact form of which I delivered a copy of what I thought the amendment would be.

I would just like to point out once more the problems which exist with regard to this amendment that is being proposed at this time. It has not, let me say, been discussed in the committee. It is not the same as the Senate amendment and has not been discussed here on the floor except at this point. You now have a chance to look at it, and the questions which have been asked by my colleague from Michigan and the answers given in reply show once again the unwisdom of taking up a complicated matter of this sort for the first time on the floor.

There are many provisions that I could cover as to what the broad scope of this amendment is, but first of all let me just point out, as it has been pointed out in the questioning, that this does freeze—it freezes featherbedding situations where they presently exist. It also goes beyond that and requires a mandatory continuation of collective bargaining rights, even where public acquisition occurs. This might do one of two things. It would either overrule State and local laws with regard, perhaps, to the right to strike or to collective bargaining or to no collective bargaining in a particular State or a particular municipality or else. This may well be the case. It was opined on the floor of the Senate that this was the case. It eliminates any areas which have such laws on their books from possible participation in this program. As has also been mentioned, the addition of assurances, guarantees of employment of laid off or terminated workers would

mean in effect, so far as I can see, a lifetime job guarantee.

I would like to call attention of the House, also, to another point you will be hearing from in future years if this amendment is adopted. This would overrule in many areas the veterans' preferences which exist. And it would be unfair in many instances to employees, existing public employees in a transit system which went out and acquired a private system. It would give these acquired employees a preferential status over the present municipal employees when this goes into effect, and believe me, I think we are going to hear a great deal from the people about it.

Mr. HARVEY of Michigan. Mr. Chairman, will the gentleman yield?

Mr. TAFT. I yield to the gentleman.

Mr. HARVEY of Michigan. Mr. Chairman, I should like to know if I understood the gentleman correctly. In one of the cities that I represent municipal civil service provisions provide for veterans' preference. Do I understand that this amendment would cut across that veterans' preferential situation?

Mr. TAFT. The gentleman is entirely correct. It would establish in effect a super class of employees entitled to permanent assurance of employment superior to the rights of any presently existing employees of that system.

Mr. HARVEY of Michigan. Including over and above veterans themselves.

Mr. TAFT. Over and above veterans themselves, yes.

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

Mr. TAFT. I yield.

Mr. GRIFFIN. Mr. Chairman, I wonder if the gentleman would agree with me that if this amendment is approved as offered by the gentleman from Alabama [Mr. RAINS], an employment situation could not be worsened even if the union should wish to agree with the company that this would be in the best interest of both the company and the union.

Mr. TAFT. The gentleman is entirely correct. As I interpret the language, I see no reason why the union could agree to any change of the status quo at the time of the acquisition under conditions approved by the Secretary of Labor. Those conditions would be crystallized permanently under the law.

Mr. GRIFFIN. I thank the gentleman.

Mr. TAFT. I thank the gentleman for his contribution.

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

Mr. Chairman, I ask Members who have copies of the bill before them to turn to page 24 and note carefully what the proposed amendment would do. At the present time, we have labor laws on the statute books which were reported by the Committee on Education and Labor. We have the Railway Labor Act, which is subject to jurisdiction of the Committee on Interstate and Foreign Commerce. We have other labor legislation subject to the jurisdiction of the Committee on Merchant Marine and Fisheries. Now, in section 10(c) of this

bill, there is proposed still another labor law reported by the Committee on Banking and Currency.

I urge each Member to look carefully at the language of section 10(c) as it would be amended and consider what would be the effect of this amendment.

The language reads as follows:

It shall be a condition of the granting of any assistance under this Act that fair and equitable arrangements—

What does "fair and equitable" mean? are made as determined—

And then the gentleman from Alabama strikes out "the Administrator," meaning the HHFA and makes it read: as determined by the Secretary of Labor—

So that the Secretary of Labor alone will determine finally and conclusively what are "fair and equitable arrangements"—

to protect the interest of employees—

But the word "employees" is not defined in this bill.

Such protective arrangements shall include without being limited to—

In other words, the provisions which follow indicate only the minimum "protective arrangements," and the Secretary of Labor can include anything else.

In other words, the Secretary of Labor will be dictating the very terms of each collective bargaining agreement in every case where assistance is granted under this bill.

How long would such "protective arrangements" continue in effect? What will be the terms of such "arrangements"? Will the Secretary require each employee to belong to a union?

Will he require a check-off provision? What sort of seniority provision will he consider "fair and equitable"?

Under the language in this bill, the Secretary of Labor could apparently write anything into a collective bargaining agreement that he wants as a condition precedent to the granting of aid under this act.

The members of the committee will note one of the provisions which is mandatory is provision No. 3 which appears on page 25:

The protection of individual employees against a worsening of their positions with respect to their employment.

Certainly, in this industry we all know that there are some featherbedding practices; and in some instances, the featherbedding practices are contributing to the financial difficulties of companies in this industry. If assistance is granted under this bill, all employees of the company are frozen into the jobs which they are then performing or, at least, they cannot be adversely affected in any way.

Mr. Chairman, I call the attention of the Members again, to the fact that featherbedding practices would be continued by law under this amendment even though the union might agree to changes that would reduce or eliminate such practices. All of us know that, in many situations, there are responsible union leaders who, from time to time, have agreed to changes in collective bar-

gaining agreements—changes which in some case may adversely affect the membership temporarily. In my own State, in one of the cities I represent, I recall that a union representing the employees of a sizable company agreed to a 5-cent-an-hour reduction in wage rates. This may seem unusual, but in this particular situation the union members and their leaders were satisfied and convinced that this action would be in their best interest over the long run.

Under this bill, no employee can be adversely affected in any way as a matter of law—even though the union might wish to agree. Featherbedding practices would have to continue under the amendment offered by the gentleman from Alabama for at least 4 years, because the amendment incorporates by reference, section 5(2)(f) of the Interstate Commerce Act and makes it applicable. However, notice that the provisions of section 5(2)(f) are a minimum. The "arrangements" required by the Secretary of Labor could require that featherbedding practices be continued for 6 years or 8 years, or longer, presumably.

Mr. Chairman, I have a high regard and great respect for the present Secretary of Labor. However, it should be noted that the Secretary of Labor, by the very nature of his office, is not exactly an impartial member of the Cabinet. He is more or less expected to be a champion for, and an advocate representing, a particular segment of our society. Who will look out after the public interest when the Secretary of Labor imposes what he considers to be "fair and equitable arrangements"?

Notice that the Rains amendment would eliminate the role of the Housing and Home Finance Administrator in determining what arrangements are "fair and equitable." Why?

Mr. Chairman, I urge the members of the committee to vote down the amendment offered by the gentleman from Alabama [Mr. RAINS].

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

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

There was no objection.

Mr. MULTER. Mr. Chairman, it is indeed strange to note that those who are shouting loudest to protect private enterprise and to protect labor are unalterably opposed to this bill. No matter what we do to improve the bill or to improve any amendment to it, they will still oppose this bill.

No one supporting this bill or this amendment resorts to or agrees with the strained interpretations heard here today in opposition to the pending amendment.

I trust that no one, after enactment of this bill, will consider any of the remarks made against this amendment as part of the legislative history to be relied upon in interpreting or enforcing the same.

The amendment means what it says. The gentleman from Alabama [Mr. RAINS] has properly explained and in-

terpreted it. Neither this amendment nor the bill will do any of the dire things contended for by the gentlemen opposing it. It neither continues nor imposes featherbedding nor does it affect veterans' rights. It does not modify, cancel or extend any labor contracts. It writes no new ones.

I urge adoption of the Rains amendment.

Mr. MOORHEAD. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

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

There was no objection.

Mr. MOORHEAD. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I wonder about those who express concern over the plight of employees in the transit industry and yet announce their opposition to the amendment and to H.R. 3881.

Do they realize that the average number of employees in the transit industry progressively declined from 242,000 in 1945, to 198,000 in 1955, and to only 156,000 in 1960—a loss of 35 percent in the single decade 1950-60?

I am reminded of the concern which the walrus and the carpenter continued to express for the oysters until there were no oysters left.

While comparable figures for employment in railroad commuter services are unavailable, overall railroad employment during the period has declined at an almost identical rate, with a loss of 36 percent. In no small measure, this loss of thousands of jobs is attributable to the abandonment and curtailment of suburban rail commuter services. Viewed in this context, it is clear that the assistance which the bill would provide will help to save the jobs of many workers now engaged in marginal mass transit operations. Equally important is the long-range impact of the bill in generating new jobs through the extension of existing systems and the creation of new systems.

How does the amendment of the gentleman from Alabama express true concern for and give real protection to transit employees?

First the amendments already adopted do so by preserving so far as humanly possible the free enterprise system in mass transportation. This preserves the status quo in collective bargaining arrangements.

But even this was not considered adequate protection for mass transit employees, whether they are employed by free enterprise or by a publicly owned transit system, because the second amendment provides that no financial assistance shall be granted until fair and equitable arrangements are made as determined by the Secretary of Labor to protect the existing employees from a worsening of their job positions or benefits.

Mr. Chairman, the amendments are good for transit employees and the passage of the bill will be good for transit employees.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The question was taken and the Chairman announced that the "ayes" appeared to have it.

Mr. HALLECK. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. PATMAN and Mr. TAFT.

The Committee divided, and the tellers reported that there were—ayes 136, noes 115.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. TAFT

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

The Clerk read as follows:

Amendment offered by Mr. TAFT: On page 25, before the period in line 24, insert the following: "; but, notwithstanding any other provision of this subsection, such arrangements may be made only to the extent not inconsistent with State and local law".

Mr. TAFT. Mr. Chairman, the provisions of section 10(c) as they have now been amended and adopted into the bill include provisions which relate to collective bargaining agreements and the right to collective bargaining, and various other factors, unknown, actually, because the words I would call particularly to your attention are those in subparagraph (c), the words "or otherwise", as to the preservation of rights, have been added, and no one knows what the rights might be that would be covered by this "or otherwise".

In this connection the point that should be understood now is that either one of two things is true. It is either true that in many instances the existence of State or local laws is going to prevent certain transit companies, public or private, from being able to receive assistance under this bill, or else, on the other hand, the local or State laws involved which might otherwise block the program and are inconsistent with the provisions of section 10(c) are to be overruled, preempted, if you like, by the Federal law which has been passed.

For that reason, I have offered this amendment as an attempt to make it clear at the end of this section that the very least thing we can do is to make it clear that the present provisions of State and local laws to the extent that they may be inconsistent with the provisions of this section will not be overruled.

I think the principle involved is a very simple one, which I am sure the Members of the House will understand. I would ask your support for this amendment because I think it will clarify it, and avoid the necessity, perhaps, of many lawsuits occurring in the future as to whether local and State laws in conflict with the Federal law prevail.

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

Mr. Chairman, I tried to follow the gentleman as closely as I could but I am sure nobody knows what kind of arrangements he is talking about.

This is an amendment, to use a good Alabama expression, that is just aiming at clobbering what we have just done. Therefore, as I say, I do not know what arrangements he is talking about. We make it clear that with respect to certain arrangements, that I assume he is talk-

ing about, State and local laws would prevail. That has been written into the law.

Listen to this language:

Notwithstanding any other provision of this subsection, such arrangements * * *.

If we are going to start legislating on just imaginary arrangements, what kind of legal definition can you make or give of just "arrangements"? I had some inquiry about what an employee was just a little while ago.

I really think the gentleman's amendment is out of order because what he seeks to do is to continue to do just what he lost a moment ago. I do not believe the amendment is in order although I make no point of order against the amendment, but simply say that this House—and I know there are some good lawyers in this House of Representatives and some others who are smarter than lawyers—does not want to start tying the hands of an administrator when it comes to arrangements. I am willing to let it stand on that. The gentleman can talk about arrangements all he wants to. But I know that that does not belong in a legislative bill of any type, if we are going to do a workmanlike job. We would not do that in the Ohio or Alabama State Legislature much less here in the Congress of the United States because the word "arrangements" means nothing.

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

Mr. RAINS. I yield to the gentleman.

Mr. TAFT. The word "arrangements" I would inform the gentleman for his information is contained and stated in the second line of section 10(c) of the bill.

Mr. RAINS. I agree with that.

Mr. TAFT. It was put in the bill, I believe, with the consent and support of the gentleman originally and it is still in the committee substitute amendment that is now being considered.

Mr. RAINS. But if the gentleman will read, he will see that the bill states what those arrangements are in the language that follows on page 25. Here the gentleman just takes a word out of the clear blue yonder and says "arrangements." I assume it has to do with arrangements, but could the gentleman tell us what it would have to do with?

Mr. TAFT. I would call to the gentleman's attention that the adjectives set out in this amendment being appended to the section here clearly refers to the arrangements stated earlier in the law.

Mr. RAINS. The reason the gentleman has done this is that we have just voted down his amendment and what you are attempting to do now is to amend an amendment which you just lost by putting it in in a broad and wholesale way that would have no definition to it whatever.

Mr. OLIVER P. BOLTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask the gentleman from Alabama, and I see the gentleman is busy, but I would point out to the Committee that on the bottom of page 24, the phrase is now in the bill "fair and equitable arrangements". The

word "arrangements" appears throughout this section. I would furthermore like to ask the gentleman from Alabama and if he is not there, a Member on the majority side, Mr. Chairman, perhaps you can answer this question: Whether because of the resistance to the amendment of the gentleman from Ohio, I can take from that position that the amendment which was just adopted would infringe upon the laws of the various States?

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

Mr. OLIVER P. BOLTON. I yield to the gentleman.

Mr. MULTER. There is no attempt in this bill or in any amendment that has thus far been adopted to infringe upon the laws of any State or locality.

The fact of the matter is that the amendment now pending is completely unworkable because in most metropolitan communities mass transit is an interstate thing.

In New York City the mass traffic goes into New Jersey and into Connecticut.

In Camden it goes into New Jersey and into Pennsylvania.

In Chicago it goes from Illinois into Indiana.

And so on all across the country.

Right here in the District of Columbia, cars go into Maryland and Virginia.

The amendment offered by the gentleman would now say that you have to take local law and make it apply to this mass transit problem. It is utterly and completely unworkable.

Mr. OLIVER P. BOLTON. If the gentleman will excuse me, I did not yield to him for a speech. I asked the gentleman a specific question which he did not answer.

Mr. MULTER. Oh, yes, I did and I will repeat it for you.

Mr. OLIVER P. BOLTON. May I give you my interpretation of your answer? And that is that under the amendment which the House just adopted, these arrangements can be in controversy to the State law in which mass transit exists.

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

Mr. OLIVER P. BOLTON. I will yield for a "yes" or a "no" answer.

Mr. MULTER. I repeat what I said before. Nothing in this bill and nothing in any amendment thus far adopted will infringe upon local law, whether it be of a State or municipality.

Mr. OLIVER P. BOLTON. Is that not exactly what the amendment of the gentleman from Ohio tries to spell out—merely to provide that it will not infringe?

Mr. MULTER. It would go further. It would try to affect interstate commerce and would try to make invalid the laws which now apply to mass transportation problems.

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

Mr. OLIVER P. BOLTON. I yield to the gentleman from Indiana.

Mr. HALLECK. I cannot refrain from making an observation. It seems passing strange to me that the gentleman from Alabama would be resisting an amendment which undertakes, as I un-

derstand it, to preserve State and local rights.

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

Mr. HALLECK. I do not have the floor. I am merely saying that it seems strange to me that the gentleman from Alabama would on this occasion get himself in that position.

I happen to be one of those who believe in State and local rights, and I have fought for that in all my time here. I must say that I cannot quite follow some of the operations in respect to what is going on in connection with this bill.

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

Mr. OLIVER P. BOLTON. I am glad to yield to the gentleman from Alabama.

Mr. RAINS. I appreciate the chastisement of the distinguished States rights gentleman from Indiana, given to the gentleman from Alabama. I would have the gentleman understand, plainly and simply, I have spent many a day and week working on the bill. I assume the gentleman has read the bill. I tell him that there is not one line in this bill that would vitiate in any way any State or local law in Alabama or Indiana. I want the record to be clear.

Mr. OLIVER P. BOLTON. Mr. Chairman, if I have any time remaining I should like to ask the same question which I directed to the gentleman in his absence, which was answered by the gentleman from New York.

From refusal to accept this amendment, can it be logically concluded that the amendment which we did just accept warrants the breaking of State law in the "arrangements"?

Mr. RAINS. If I understand the gentleman's question, he is asking whether the amendment we just adopted would provide for violating any State law.

Mr. OLIVER P. BOLTON. That is correct.

Mr. RAINS. The answer to that is definitely no. It would not violate it. There should be no inference, from an amendment as indefinite and as confused as the present amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TAFT].

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

Mr. TAFT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. TAFT and Mr. PATMAN.

The Committee divided, and the tellers reported that there were—ayes 123, noes 134.

So the amendment was rejected.

The CHAIRMAN. Without objection, the word "Aaministrator" as it appears on line 1, page 25, will be corrected in its spelling.

There was no objection.

The Clerk read as follows:

Page 26, line 1:

"AIR POLLUTION CONTROL

"Sec. 11. In providing financial assistance to any project under section 3, the Administrator shall take into consideration whether

the facilities and equipment to be acquired, constructed, reconstructed, or improved will be designed and equipped to prevent and control air pollution in accordance with any criteria established for this purpose by the Secretary of Health, Education, and Welfare.

"STATE LIMITATION

"Sec. 12. Grants made under section 3 (other than grants for relocation payments in accordance with section 7(b)) for projects in any one State shall not exceed in the aggregate 12½ per centum of the aggregate amount of grant funds authorized to be appropriated pursuant to section 4(b)."

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

Mr. Chairman, I rise in support of this bill and in opposition to the proposed motion to recommit.

Mr. Chairman, I want to express my full and unqualified support for this bill. Both Presidents Kennedy and Johnson have declared mass transit to be must legislation. It seems to me with good reason.

The Nation's metropolitan regions absolutely must have help in building more efficient means of moving people and goods in and out of their central business districts. A modern city cannot survive without a well-developed system for moving people from where they live to where they work.

And I am not referring solely to the older big cities along our coast lines. Nor am I talking only about the much publicized difficulties of the rail commuters in the Northeast. As the Representative of the city of Minneapolis, which is part of the Twin Cities metropolitan area, I can testify that the need extends to hundreds of medium-sized communities. Although these cities face different circumstances and have different transportation systems, they are encountering many of the same problems.

Let us look at a few facts. Since the end of the war, the mushroom growth of suburbia has created a national transportation crisis. As people have moved out of the cities into the suburbs, the population requiring daily transportation has far outpaced the facilities available to accomplish it.

As more and more people have come to depend on their automobiles for transportation, transit company revenues have declined, necessitating fare raises and service cuts. This in turn has drawn still more cars on to the road.

We are all familiar with the enormous traffic problems that have resulted. In almost every city across the Nation thousands of cars converge daily on the central business district causing monumental traffic jams and parking problems.

Many of us, however, do not seem to realize how much money it costs the community, the businessman, and the commuter to cope with the situation.

In addition to the direct cost of highway upkeep and traffic control—which in most communities represents a major share of the local budget—there are all the indirect costs of congested traffic.

It has been estimated that the Nation loses about \$5 billion a year in time and wages lost, higher freight rates, extra fuel consumption, and faster vehicle

depreciation that result from cars, trucks, and people being trapped in clogged traffic.

In addition, congested streets mean depreciating property values, reduced investment in intown businesses and a long-term slump in sales, production and employment in downtown areas—in a word, the slow decay of the central city.

All of this, of course, points up the rather basic fact that the growth and vitality of an industrial economy is dependent upon an adequate transportation system—which we do not presently have.

The question before us boils down to whether Congress is going to allow this vital component of our civilization to deteriorate further.

I cannot believe that we shall so decide. There are those, however, who recognize the existence of a problem but who still maintain that it is primarily a local concern with which the Federal Government should not become involved.

This is not an objection which we can treat lightly. The freedom of the local community to work out its own solutions to its own problems is one all Americans cherish.

There comes a point, however, when the dimensions of a problem reach such proportions and when the welfare of such a large segment of our population is at stake that only a national concern and a national effort will suffice. We long ago reached that point with mass transit.

Seventy percent of our Nation's people reside in metropolitan areas. Ninety percent of all future growth will occur in these areas.

Our metropolitan complexes account for more than three-quarters of all manufacturing, wholesale and retail sales in the country. And they generate about the same proportion of our national income.

Truly their future cannot be separated from the Nation's future. They must be vital and growing if the Nation is to meet its commitments against poverty and for freedom at home and abroad.

And it is clear that the magnitude of the urban transportation problem is such that it has far outstripped the capacity of local jurisdictions to deal with it.

The bill now before us has been designed to stimulate the greatest possible local effort and contribution. It requires any federally aided project to be part of a broader master plan for the solution of the area's long-term transportation needs, and it assures that Federal money will be spent only where the local community is willing to devote its own financial resources to the effort.

On the other hand, the bill recognizes that public mass transit is a community service and that its importance transcends narrow economic considerations. We would never permit any American city to go without water, electricity, or police protection. In the modern world, transportation is no less essential.

Many cities, however, need public transportation on a scale and in areas that necessarily involve capital expenditures far beyond anything the fare box alone can support.

To expand bus service, for example, to a new subdivision of 200 families

might very well require much greater outlay than a private transit company could afford.

But, if such service could succeed in permanently removing 200 cars from the highways leading downtown every day, it would be both economically feasible and socially urgent from the point of view of the community. Even though fare box receipts might never fully return the capital invested, the longrun savings to the community in terms of reduced costs for other items would more than justify the expenditure.

With the transit operators already caught in the classic squeeze between rising costs and declining revenues, however, they simply cannot afford by themselves to undertake this kind of improvement and extension of service, which alone might induce automobile commuters to use public mass transit.

Consequently, without this bill the Nation's cities will have no other alternative but to continue or even to step up the present frenzied pace of highway building. And our experience with freeways has shown pretty conclusively that unless they are part of a balanced transportation network, including rapid transit, they are self-defeating.

In addition to replacing huge chunks of tax ratable land with arid strips of asphalt and cement, they are enormously expensive in themselves. Construction costs in urbanized areas are reaching astronomical levels—\$10 to \$20 million a mile not being uncommon. When they are completed, all too often the result is simply rush-hour jams on the highway, increased intown congestion and impossible parking problems—all problems requiring an outlay of still greater resources—men, money, and land—to settle.

As long as the Federal Government is picking up 90 percent of the tab, however, bigger and better highways provide hard-pressed local authorities with the easiest way out. How much more efficient to meet the greater part of our rush hour needs with public mass transit? It is cheaper to build and maintain, it occupies less space, it is easier to expand, and it relieves a host of pressures on the commercial arteries.

In a word, mass transit provides an element of balance to our urban transportation picture.

And, while I am discussing balance in economic terms, I would also like to urge a little more balanced consideration of some of the human elements involved in this problem.

There are millions of Americans, perhaps as much as half of our population, who do not drive automobiles because they are too young or too old, too poor or too infirm. In my own hometown of Minneapolis, there are 65,000 citizens over the age of 65 who depend primarily on the buses for transportation.

It seems to me that in this day and age we have an obligation to make certain that these people have an efficient, comfortable, and moderately priced means for getting where they want to go, when they want to go there.

In view of all these considerations, I do not see how we can fail to enact this

most vital piece of legislation. I only hope that enough of my Republican colleagues—particularly those from metropolitan areas which so desperately need this bill—will see their way clear to providing us that extra measure of support we need for passage and to defeat the motion to recommit.

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

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

There was no objection.

Mr. PELLY. Mr. Chairman, I shall vote against H.R. 3881—the urban mass transportation bill—because it actually represents the start of a new \$10 to \$15 billion program. Particularly in light of the recent tax cut we should be holding down spending.

This legislation represents the intrusion of the Federal Government in another local field and would tend to destroy initiative of local transit systems and municipalities. I oppose it for that reason, too. Especially I oppose the \$10 million backdoor Treasury borrowing authority under section 3(b) of this bill.

Mr. BARRY. Mr. Chairman, may I point out the inadequacies and shocking arbitrary authority of section 6 of this bill providing for research, development and demonstration projects. Demonstration projects under the Housing Act have been highly successful and as the representative of a district which has benefited from this program, I am particularly interested that these projects be continued.

However, under the present bill which we are considering today, section 6 undermines the value of research projects to the community, in which they are undertaken, and to the Nation. Section 6(a) provides authority to the Administrator to “undertake such projects independently, or by contract—including working agreements with other Federal departments and agencies.” Therefore, the Administrator can contract with any private body or local public authority. He can contract with any agency of the Government to undertake such projects. He has complete authority despite the wishes, interests, or previous planning of the local or State government. There is no restriction that he must consult with elected public officials. Any demonstration project is strictly at his will and dependent upon his judgment. Now, I have great respect for Mr. Weaver, and this is by no means a personal objection, for I am sure that he has no wish to act as a dictator. However, my point is that this section defies any legal scrutiny. It gives complete discretionary authority to one man, with no veto power over his single opinion and judgment. Our Government was never founded on such a concept and the damage that such an authority can do to the State-Federal relationship or the community-State relationship is irreparable—as well as the precedent such authority would set for laws of the future.

This section is not designed to meet the needs of the particular community in which it is undertaken. This is written

explicitly in the transposed sentence of the committee report:

Since communities are reluctant to share the cost of a project which is not tailored to their needs the committee believes that the authority for grants up to 100 percent is needed.

Demonstration projects should necessarily benefit the locality, as well as serve as research models for urban transit systems of the future throughout the Nation. I do not see where a full Federal grant would be necessary if the community were to benefit from the program—nor do I see where Federal money should undertake a project which is not approved by the community and which is forced upon it arbitrarily.

This section of the bill should be modified by supplemental legislation after further study in order that it conform to the demonstration project section of the Housing Act.

Mr. BENNETT of Florida. Mr. Chairman, if anyone has traveled to or through some of our metropolitan areas, or even driven to work in Washington, D.C., they have seen the obvious need for some sort of mass transit system. However, as great as the need may be, there is a greater need for the United States in 1964. That need is a cut in Government spending, especially in the face of the largest tax reduction in our Nation's history. This is no time to start a new program such as this. The half billion dollars for the Urban Mass Transportation Act is too big for our pocketbook in 1964.

In May, I circularized organizations and agencies of local government in the district I represent asking their opinion of H.R. 3881. I did not state my own opinion of it as I sincerely sought their advice as a basis for aiding my own research and judgment. The only organization which expressed an opinion one way or the other was the Jacksonville Area Chamber of Commerce and their letter to me urged me to vote against the bill with the observation that "the way to reduce spending is to resist new programs."

Mr. DINGELL. Mr. Chairman, we want to remember here, that under the provisions of H.R. 3881, Federal funds will not move in gratuitously and willy-nilly, and do the whole mass transit job.

On application of the affected city, along with carefully drawn plans integrating the transit system into the planning and development program of the community as a whole—then, Federal funds can come in to cover two-thirds of the cost of the project beyond the transit system's calculated ability to finance the project from the fare box. One-third of that remainder, beyond the normal financing ability of the transit system, would still have to be dug up from local sources.

So, say a city transit system needs a million dollar terminal. But it is able to raise and finance, from transit revenues, only \$700,000. Then Federal funds could provide another \$200,000 toward the project, if the community can provide, from other sources, \$100,000 to match the Federal grant. But that last \$100,000, may be easier to find than the first \$700,000 because with the new ter-

minal, the company will be a going business again.

This is the way \$500 million over 3 years, in careful amounts and in careful places, can do a very big job across our country.

It is not a continuing subsidy program, like tax concessions, guaranteed tax free bonds and the like, no Federal underwriting of continuing losses over the years—but a one-shot program to help our struggling city transit systems get rolling again and serve their communities on their own.

I urge that we carefully consider this legislation and all its merits and that we pass it speedily so we can get after the job.

Mr. ROSTENKOWSKI. Mr. Chairman, I rise in support of H.R. 3881, the urban mass transportation aid bill, which is now before us. This bill is designed to assist mass transit in all urban areas of all sizes. Many of the smaller urban areas in our country, as well as large metropolitan centers, have unmet needs for improved passenger transportation service. The approval of this legislation would foster the development of comprehensively planned mass transportation systems serving natural commuting areas which often include unincorporated, built-up places.

The population in urban and suburban areas is growing at a rapid rate. Between 1910 and 1960 there has been a 24 percent increase in the population trend toward urban areas. The 1960 census disclosed that 70 percent of the population was classified as urban, and in 4 or 5 years it is expected that 80 percent of all the people will live in these areas. These urban areas are expanding into great complexes which will feed into a central industrial and business area handling the needs of those surrounding the area. There will be a need to provide a proper and swift transportation system to enable the populace to have access to all points of the complex. The need is evident now but will be more important in the years to come. We are providing expressways for swift automobile travel but they are not the answer to convenient travel for they are becoming congested with increased auto production. By establishing modern, convenient public transportation systems we can balance the effectiveness of the expressway systems by relieving the congestion, and yet take care of the public's general needs. Expeditious transportation of masses of people is a "key factor" in the efficient organization of urban areas. Unless we can rejuvenate mass transportation service to balance transportation systems, utilizing both highways and transit, we will not meet the needs of the growing urban areas and it may prove more costly at a later date to correct the problem that will exist. I think it is a wise move that we act on this legislation today for it is a prudent move for future realizations of urban area expansion. I hope that the bill will be favorably accepted in this House.

Mr. OSMERS. Mr. Chairman, it is not my intention to repeat the many arguments presented in favor of H.R. 3881. William White, chairman of the Erie

Lackawanna Railroad Co. has sent a letter to the mayors of towns in New Jersey which are served by that railroad. His clear analysis of the problems facing metropolitan areas is well worth reading. This important legislation, while not by any means a final solution, should be enacted without further delay.

I ask unanimous consent to insert the aforementioned letter in the RECORD at this point.

ERIE LACKAWANNA RAILROAD CO.,
New York, N.Y., June 19, 1964.

DEAR MR. MAYOR: Erie Lackawanna and its predecessors have provided commuter service for a great many years and for many years at a loss.

Some months ago we engaged the services of an outside firm—Wyer, Dick & Co.—with vast experience in railroad cost analysis, to determine the loss sustained by Erie Lackawanna in providing suburban service as it is now conducted. Their report shows that the deficit being incurred is \$7.2 million per year toward which the State of New Jersey contributes \$2.2 million, leaving a net deficit of \$5 million. This represents a subsidy to our commuters, the burden of which falls on our bondholders and shareholders and which they can no longer bear.

Providing suburban passenger service at a loss is not a situation peculiar to Erie Lackawanna. All railroads that provide commuter service in the metropolitan areas of New York, Boston, and Philadelphia do so at a loss. It is becoming increasingly recognized that railroads must have relief from these losses if the service is to be perpetuated; in fact, the Boston & Maine Railroad is presently seeking to abandon its entire commuter service. A certain amount of relief is being afforded to railroads in the Philadelphia area, by New York and Connecticut in the New York City area, and by the State of New Jersey which, as a stopgap measure, has made a contribution in recent years which to some extent alleviates the loss.

Some people may wonder why losses incurred in operating commuter services have become a more acute problem in recent years than formerly. In capsule form, the reason is that costs have risen more than revenues; and, in addition, earnings from freight service are no longer sufficient to absorb the losses sustained in operating commuter service.

There was a time when people in communities in suburban territory received and shipped freight via the railroads and a good many people used trains during offpeak hours. That is all changed. Years ago anthracite coal was used almost exclusively for space heating in northern New Jersey and New York City and it all moved via rail, but the use of oil and gas and movement of the remainder by truck has resulted in virtually none moving via rail. Also with the advent of more highways and more trucks, builders' supplies, feed, grain, groceries, and other supplies are received by truck. Today there is very little freight revenue being generated at many stations in suburban territory.

The river crossings built by the Port of New York Authority and the massive highway system built with Federal and State funds not only caused freight business to dwindle but also caused people to use buses or automobiles and severely reduced travel on trains operated during offpeak hours and on weekends. Supermarkets and the opening by department stores of branches in the suburban areas have lessened the need of people in New Jersey to travel to do their shopping. Furthermore, people who used trains during offpeak hours paid fares at regular rates instead of the lower rates paid by commuters, and the number of commuters

has decreased despite a large increase in population because so many use their automobiles or travel by bus.

Despite the loss of offpeak passenger travel and freight business, the same extensive facilities are required to handle commuters in the peak hours—2 hours in the morning and 2 hours in the evening—5 days a week. Nevertheless, the peakload requires the same extensive investment in facilities and equipment but they are required only 20 hours out of a week of 168 hours and the equipment is idle much of the time.

Cars and ferryboats used in our commuter service are overage and the electrification system on the former Lackawanna side will soon require extensive rehabilitation. This company does not have funds with which to replace equipment and facilities; and, even if funds were available, we would not be justified in investing money for these purposes with no prospect of earning a return on the investment nor even the prospect of providing the service at a break-even point. Sound business judgment would preclude any businessman from doing so. It is estimated that it would cost nearly \$80 million to modernize and rehabilitate the present operation.

Rail commuter service is undoubtedly essential and not only commuters have an interest in its perpetuation because, without it, property values in the area would undoubtedly decrease substantially. Building more highways at taxpayers' expense and increasing fares sufficiently to wipe out the loss would not seem to be the answer.

The fact that Erie Lackawanna's equipment and other facilities are overage and in a few years will have to be retired from service, and certain facilities rehabilitated, makes the problem acute.

In a recent statement to the New Jersey Legislature the railroad division of the State highway department said, "The public interest now requires that additional steps be taken to assure the continuation and improvement of essential rail passenger service." With that statement, we agree; the problem is to find the means by which this can be accomplished. As the Erie Lackawanna is not in a position to fulfill this objective, it is apparent that the State or some public body must assume the burden of underwriting the cost of operating the service and providing the funds for modernization and improvement that will be necessary in the relatively near future.

We are presenting to you a realistic appraisal of a serious situation that must be faced by ourselves, the people and their representatives. It would be a dereliction of duty on our part not to acquaint everyone with the facts of this situation. We are bringing it to public notice now so that some plan of action may be devised promptly to protect the interests of the State, the municipalities served by Erie Lackawanna, and the public and to remove the burden of loss from the owners of our securities. Without some definite program for preserving the service, there will be inevitable deterioration and no recourse available to us other than to move toward abandonment of the service.

We are addressing this letter to mayors of Erie Lackawanna communities and to members of the legislature in northern New Jersey, with copies to the press, so that all those interested may be fully acquainted with the situation, and we trust it will have the earnest consideration which it deserves.

Sincerely yours,

WILLIAM WHITE.

Mr. TALCOTT. Mr. Chairman, this is the worst bill to come out of our committee this session—and we have reported out some bad bills. This bill is probably more inimical to private industry, local government, and private initiative than

any bill reported out of any committee this session.

This is the keystone of the arch supporting a new Department of Urban Affairs—a department which will usurp the prerogatives of local municipal governments. With the passage of this bill there is little more needed to place all cities and local governmental districts under the regulation, control, and direction of the Federal Government from Washington, D.C.

This bill is a classic example of the camel getting his nose under the tent. Proponents first sought the tidy sum of \$500 million; now they would be willing to accept almost any sum simply to get the program underway. Next year, and all the years thereafter, millions and billions of dollars can be added to be poured down rapid transit tunnels or strung along elevated monorails.

As bad as ARA turned out to be, this massive mass transit plan will be worse. ARA was designed to assist a few poor areas which could not help themselves. This massive transit program is designed to help the rich—rich in assessed valuation and rich in votes.

The big cities have the funds, the talent, the organization, the assessed valuation, the people, the taxpayers, the beneficiaries, the commuters. The big cities can solve their problem. The big cities should solve the problem. Some cities now have feasible plans to provide adequate mass transportation facilities without Federal aid, guidance, or control. All cities would solve their problems more economically, more efficiently and more responsively to their needs if the Federal Government would find some other place to spend its extra moneys.

Most cities need to improve their mass transportation facilities. There is no city which has proved to me that it cannot afford adequate facilities; none that does not have the talent to handle their own affairs and to provide the needed transportation facilities.

When we approve this bill we should look ahead a few years and a few decades. We should add up the true costs, the whole cost. Cities will be divested of their rights and responsibilities to provide strictly local services for local commuters. The Federal transportation czar on the Secretary of Urban Affairs will soon have complete control over local transportation—and allied services and facilities. Private industry will be completely excluded from the mass transit business at first and later from allied transportation facilities.

Labor and management, both, will lose their rights and prerogatives to the central control of the Federal bureaucrats.

The great losses of fundamental rights, and the unbelievably high costs of this program seem too great a price to pay for the big city vote.

We should defeat this bill for the benefit of the taxpayer and the tax user and in the best long-term interests of local government and private industry.

If we pass this bill today, we can anticipate almost any encroachment upon the local governments by the centralists and power seekers of the Federal bureaucracy.

Mr. SHRIVER. Mr. Chairman, H.R. 3881, which is the Urban Mass Transportation Act, long has been dormant since it was reported by the House Banking and Currency Committee in April 1963.

We are being asked to establish a new Federal subsidy program which will benefit only a few metropolitan centers, but will be paid for by all American taxpayers. While the cost for the first 3 years of this program is estimated at \$500 million, the total eventual cost could amount to \$10 to \$15 billion.

How do we pay for this program? We already anticipate deficit financing in the 1965 budget. Last week this House, over the opposition of many Members on this side of the aisle, approved hiking the so-called temporary debt ceiling from \$315 to \$324 billion for the next fiscal year.

Mr. Chairman, every city strives to provide its residents with an efficient transportation system. But not every city will benefit from this Federal program. This program can do nothing except hasten the day when transit operations will be completely owned and operated by governmental agencies and private operations will cease to exist.

Mr. Bernard Calkins, who is president of the rapid transit lines in Houston, Tex., and rapid transit lines in Wichita, Kans., testified before the Subcommittee on Surface Transportation of the Senate Committee on Commerce in regard to this legislation. Mr. Calkins has been in the transit transportation business for more than 33 years.

Mr. Calkins offered the subcommittee his ideas regarding an approach which could be helpful in alleviating mass transportation problems of metropolitan areas and, at the same time, preserve our private enterprise system. He said:

I firmly believe that the transit business can be solved by private enterprise, but I believe that assistance should be given through possibly guaranteed loans which would enable a private operator to finance his equipment and facilities over longer periods of time at lower interest rates. There is precedent for this thinking. You have the Federal Housing Administration, the Veterans' Administration, which guarantee home loans and have done a good job in providing housing for the general public at lower interest rates and for longer periods of time; there was the Reconstruction Finance Corporation which served a similar purpose for business; you have a program whereby such guaranteed financing is available to electric cooperatives; and I understand that similar guaranteed loans are available to certain feeder airlines. There may be others.

I have noted that some of the legislation proposed involves a Federal grant program for such facilities, but only where used through local governmental agencies. These grants would also provide, I believe, for the acquisition of private transit operations. If there is to be any Federal participation in the way of providing direct funds and grants, I believe such funds could be logically used in providing separated rights-of-way over which transit systems could operate. This would not be a departure from present policies wherein the streets over which a transit line operates are paid for by either the local residents in their areas, city street funds, State highway funds, or, in the case of both State highways and interstate highways, Federal funds provide such construction.

I believe that private enterprise can and will continue to be able to provide equipment to operate and for the operational cost of transit operations under the American free enterprise system if legislation can be passed that will (1) make available loans for operating equipment payable over longer periods of time and at lower interest rates than are now available, and (2) provide the funds for separated facilities over which to operate so that the transit vehicles will not be intermingled with regular automobile traffic and thereby hampered by the same.

Mr. Chairman, under provisions of H.R. 3881 the only way in which cities such as Wichita and Houston could qualify for either loans or grants would be for the local or State governing bodies to acquire the privately owned transportation systems.

We are being asked to provide an expensive Federal program of subsidization to solve problems which can more economically and efficiently be resolved through local, State, and private initiative.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 3881.

Efficient transportation of freight, workers, and customers is the lifeblood of commerce and industry and, indeed, of our entire mode of daily living today. By necessity we are all commuters and travelers, whether we live in rural communities or large cities, and whether we live in Hawaii or on the mainland United States.

The rapid mushrooming of our population requires constant changes to meet new challenges in the field of transportation. The accumulation of capital to meet these changes is often beyond the resources of local corporations, communities, and cities. Paradoxically, the development of urban areas does not mean automatic profits to the transit system, whose rising costs and declining patronage make adequate facilities, equipment, and service difficult to maintain. Revolutionary and rapid changes in the character of a community demand equally revolutionary and rapid changes in the facilities to take care of them. Otherwise, congestion and frustration will become a part of our daily living even more than it has been up to the present time.

Mass transit must play an increasingly important role in the development of our urban areas to meet the demand of additional streets and parking facilities for the vastly increasing number of private cars which in many urban areas require the destruction of many residential and commercial areas, and the relocating of thousands of people. This is too expensive an alternative to the development of mass transportation.

Two-thirds of our Nation's people now live in urban areas. Hawaii's population is over 80 percent urban and within areas served by public transportation. Passage of the bill will make it possible for us to plan and put into effect a program for the early and efficient development of our transportation systems throughout the Nation.

Let us not hold back the clock, but rather, let us as responsible Members of Congress meet the challenge of the times and move our country ahead by passage of this most essential bill.

Mr. DONOHUE. Mr. Chairman, I rise to urge prompt approval of this urgently needed measure before us, H.R. 3881, the Urban Mass Transportation Act of 1963.

As you are aware this bill, already enacted by the Senate, proposes an expenditure of \$500 million to provide a long-range program of cooperation between the Federal Government and State and local units, to bring some order out of the increasingly chaotic condition of transportation facilities in so many urban and metropolitan centers throughout the Nation, including my own home State and area.

The evidence presented in support of this bill clearly reveals that it would be a major mistake to permit any increasing strangulation and disintegration of our outmoded transportation facilities whose current traffic congestion is costing the Nation a conservatively estimated \$8 billion annually.

An analysis of the factors involved in this challenging problem clearly indicate the various urban and metropolitan centers and the separate States cannot promote an adequate solution through their individual resources; they must have assistance from the Federal Government. An examination of the provisions of this bill reveal that the suggested assistance is very reasonable and moderate and the States and localities will bear the major portion of the overall burden.

Mr. Chairman, any objective review of this transportation improvement challenge throughout the country proves the need for this legislation is imperative; the Federal participation proposed is reasonable; the projected program over a long-range period is prudent; that failure to act now could well precipitate a major crisis and the program proposed is beyond any doubt in accord with our traditions and legitimate concern for the national safety and welfare. Let us, therefore, approve this measure without extended delay.

MASS TRANSPORTATION BILL

Mr. SICKLES. Mr. Chairman, at the present time in this country over 70 percent of our people live in urban areas so that adequate mass transportation facilities represents a national problem. It has been estimated that within 20 years over half the American people will be concentrated in 40 large urban centers across the Nation, including, of course, one such center in Baltimore and another in the Washington metropolitan area.

In each of these areas as in other cities around the country traffic congestion, lack of parking space, and outmoded or inadequate mass transportation facilities have combined to endanger the health and vitality of the inner city and its suburbs.

Mass transportation facilities in our large urban centers have been unable to meet the demands on them in recent years and as a result the number of people using these systems and their usefulness has declined. Many big cities have found themselves financially unable to meet the large capital investment that would be required to reverse this trend. As the cities become less able to deal with their transportation problems, businesses

and tax sources move elsewhere to further compound the problem. It is another one of those gloomy cycles that can be broken only by the entry of a new element. The Federal Government, of course, because of its superior tax resources, could provide some measure of assistance to local communities who must deal with this problem.

The Federal program would fund up to two-thirds of the cost of the acquisition, construction, and improvement of mass transportation facilities and equipment in an individual city which has an adequate long-range transportation plan. The program would be administered by the Housing and Home Finance Agency where some transportation planning assistance is already available as a result of the Housing Act of 1961.

As a matter of fact, the Baltimore area is now being studied as a result of the transportation planning program under this act. The Baltimore-Metropolitan Transit Authority has contracted with a private firm to draw up a program of long-range improvements in public mass transportation over the next 15 years. A Federal grant of \$323,560 is financing two-thirds of the cost of the study with one-third of the funds being supplied locally. The first phase of the consultant's report has already been completed and was favorably received by city officials. It has been estimated that the Baltimore metropolitan area which has about 60 percent of the State's population will have a population increase of over 80 percent in the next 15 years. It is most important that Baltimore has a transportation system adequate to meet the demands of this growth and thus provide adequate transportation to the people living in the area.

Once these plans have been completed, a program of Federal financial assistance could be most helpful. The Baltimore City Council has recognized this by recently passing a resolution favoring enactment of a national mass transportation bill by the Congress.

As for the Washington metropolitan area, passage of a national program could create a climate favorable for the enactment of a special program for the District of Columbia area. This program of improvements would, of course, be especially important to Marylanders who work or shop in the city.

It is most important that we act now at the Federal level to provide proper incentives for improvement of urban transportation facilities. The longer we wait, the more costly it will be. Indeed, many cities have already abandoned transit rights-of-way.

In the field of highway construction the Federal interstate road program and Federal aid to secondary roads have had a tremendous economic impact all over the United States. Similarly, Federal aid to promote the establishment of a balanced mass transportation and road system would greatly help relieve the commuter rush that is now strangling our cities and contribute to the economic revival of our cities and orderly development of our suburbs.

The CHAIRMAN. The question is on the committee amendment, as amended.

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The committee amendment, 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. Moss, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3881) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems in metropolitan and other urban areas, and for other purposes pursuant to House Resolution 732, 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.

Is a separate vote demanded on any amendment?

Mr. TAFT. Mr. Speaker, I demand a separate vote on the amendment offered by Mr. RAINS to section 10(c) starting on line 23, page 24.

The SPEAKER. The Clerk will report the amendment on which a separate vote is demanded.

The Clerk read as follows:

Page 24, line 23, strike out "the granting of".

Page 25, strike out lines 1 and 2 and insert in lieu thereof "are made, as determined by the Secretary of Labor,".

Page 25, line 8, immediately before the semicolon, insert "or otherwise".

Page 25, line 8, strike out everything after "(2)".

Page 25, line 11, strike out "priority" and insert in lieu thereof "assurances".

Page 25, line 12, strike out "or" where it first appears and insert in lieu thereof "to employees of acquired mass transportation systems and priority of".

Page 25, line 13, strike out everything after the period, down through and including "such" in line 15, and insert in lieu thereof "Such".

Page 25, line 19, strike out "such Act" and insert in lieu thereof "the Act of February 4, 1887 (24 Stat. 379), as amended".

Page 25, line 19, strike out the comma and all that follows down through "agreements" in line 22.

The SPEAKER. The question is on the amendment.

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

The yeas and nays were ordered.

The question was taken; and there were—yeas 234, nays 170, not voting 27, as follows:

[Roll No. 168]

YEAS—234

Addabbo	Burkhalter	Delaney
Albert	Burton, Calif.	Dent
Andrews, Ala.	Byrne, Pa.	Denton
Ashley	Cahill	Diggs
Aspinall	Carey	Dingell
Barrett	Casey	Donohue
Bass	Celler	Downing
Beckworth	Chelf	Dulski
Bennett, Fla.	Clark	Duncan
Blatnik	Cohelan	Dwyer
Boggs	Cooley	Edmondson
Boland	Corbett	Edwards
Bolling	Corman	Elliott
Bonner	Cunningham	Everett
Brademas	Curtin	Fallon
Bray	Daddario	Farbstain
Brooks	Daniels	Fascell
Brown, Calif.	Davis, Ga.	Feighan
Buckley	Davis, Tenn.	Finnegan
Burke	Dawson	Fino

Flood	Lindsay	Rogers, Colo.	Reifel	Sikes	Watson
Flynt	Long, La.	Rooney, N.Y.	Rhodes, Ariz.	Siler	Weaver
Fogarty	Long, Md.	Rooney, Pa.	Rich	Skubitz	Westland
Fountain	McDade	Roosevelt	Riehlman	Smith, Calif.	Whalley
Fraser	McDowell	Rosenthal	Robison	Snyder	Wharton
Friedel	McFall	Rostenkowski	Rogers, Fla.	Stinson	Whitener
Fulton, Pa.	Macdonald	Roush	Roudebush	Taft	Whitten
Fulton, Tenn.	Madden	Roybal	Rumsfeld	Talcott	Williams
Gallagher	Mahon	Ryan, Mich.	St. George	Teague, Calif.	Wilson, Ind.
Garmatz	Marsh	Ryan, N.Y.	Schenck	Thomson, Wis.	Wilson, Ind.
Gary	Mathias	St. Germain	Schneebell	Tuck	Winstead
Gialmo	Matsunaga	St. Onge	Short	Utt	Wydler
Gilbert	Miller, Calif.	Saylor	Shriver	Van Pelt	Wyman
Gill	Milliken	Schweiker	Sibal	Waggonner	Younger
Glenn	Minish	Secrest			
Gonzalez	Monagan	Seiden			
Grabowski	Montoya	Sheppard			
Gray	Moorhead	Shipley			
Green, Pa.	Morgan	Sickles			
Griffiths	Morris	Sisk			
Grover	Morrison	Slack			
Hagan, Ga.	Moss	Smith, Iowa			
Hagen, Calif.	Multer	Smith, Va.			
Halpern	Murphy, Ill.	Staebler			
Hanna	Murphy, N.Y.	Stafford			
Hansen	Natcher	Staggers			
Harding	Nedzi	Steed			
Hardy	Nix	Stephens			
Hawkins	O'Brien, N.Y.	Stratton			
Hays	O'Hara, Ill.	Stubblefield			
Healey	O'Hara, Mich.	Sullivan			
Hébert	O'Konski	Taylor			
Hechler	Olsen Mont	Teague, Tex.			
Hollifield	Olson, Minn.	Thomas			
Holland	O'Neill	Thompson, La.			
Horton	Osners	Thompson, N.J.			
Huddleston	Passman	Thompson, Tex.			
Hull	Patman	Toll			
Jennings	Patten	Tollefson			
Joelison	Pepper	Trimble			
Johnson, Calif.	Perkins	Tupper			
Johnson, Wis.	Philbin	Tuten			
Jones, Ala.	Pickle	Udall			
Jones, Mo.	Pike	Ullman			
Karsten	Poage	Van Deerlin			
Karth	Poff	Vanik			
Kastenmeter	Price	Wallhauser			
Kelly	Pucinski	Weitner			
Keogh	Purcell	White			
King, Calif.	Rains	Wickersham			
Kirwan	Randall	Widnall			
Kluczynski	Reid, N.Y.	Wilson			
Kornegay	Reuss	Charles H.			
Kunkel	Rhodes, Pa.	Wright			
Landrum	Rivers, Alaska	Young			
Lankford	Rivers, S.C.	Zablocki			
Leggett	Roberts, Ala.				
Lesinski	Roberts, Tex.				
Libonati	Rodino				

NAYS—170

Abblitt	Cleveland	Johansen
Abele	Collier	Johnson, Pa.
Abernethy	Colmer	Jonas
Adair	Conte	Keith
Alger	Cramer	Kilburn
Anderson	Curtis	King, N.Y.
Andrews,	Dague	Knox
N. Dak.	Derounian	Kyl
Arends	Derwinski	Laird
Ashmore	Devine	Langen
Ayres	Dole	Latta
Baker	Dorn	Lennon
Baldwin	Dowdy	Lippscomb
Barry	Ellsworth	Lloyd
Bates	Findley	McClary
Battin	Fisher	McCulloch
Becker	Ford	McIntire
Beermann	Foreman	McLoskey
Belcher	Frelinghuysen	McMillan
Bell	Fuqua	MacGregor
Berry	Gathings	Maillard
Betts	Gibbons	Martin, Calif.
Bolton,	Goodell	Martin, Mass.
Frances P.	Goodling	Martin, Nebr.
Bolton,	Grant	Mathews
Oliver P.	Griffin	May
Bow	Gross	Meador
Brock	Gubser	Michel
Bromwell	Gurney	Minshall
Broomfield	Haley	Moore
Brotzman	Hall	Morse
Brown, Ohio	Halleck	Morton
Broyhill, N.C.	Harrison	Mosher
Broyhill, Va.	Harsha	Murray
Burleson	Harvey, Ind.	Nelsen
Burton, Utah	Harvey, Mich.	Norblad
Byrnes, Wis.	Henderson	Ostertag
Cederberg	Herlong	Pelly
Chamberlain	Hoeven	Pillion
Chenoweth	Horan	Pirnie
Clancy	Hosmer	Pool
Clausen,	Hutchinson	Qule
Don H.	Jarman	Quillen
Clawson, Del	Jensen	Reid, Ill.

Green, Oreg.	Powell
Harris	Rogers, Tex.
Hoffman	Schadeberg
Ichord	Schwengel
Kee	Scott
Kilgore	Senner
Miller, N.Y.	Springer
Mills	Watts
Pilcher	Willis

NOT VOTING—27

Ashbrook	Green, Oreg.	Powell
Auchincloss	Harris	Rogers, Tex.
Avery	Hoffman	Schadeberg
Baring	Ichord	Schwengel
Bennett, Mich.	Kee	Scott
Bruce	Kilgore	Senner
Cameron	Miller, N.Y.	Springer
Evins	Mills	Watts
Forrester	Pilcher	Willis

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Willis for, with Mr. Bruce against.
Mr. Pilcher for, with Mr. Schadeberg against.

Mr. Senner for, with Mr. Ashbrook against.

Until further notice:

Mr. Cameron with Mr. Avery.
Mrs. Green of Oregon with Mr. Springer.
Mr. Rogers of Texas with Mr. Hoffman.
Mr. Baring with Mr. Bennett of Michigan.
Mr. Watts with Mr. Schwengel.
Mr. Evins with Mr. Miller of New York.
Mrs. Kee with Mr. Kilgore.
Mr. Harris with Mr. Scott.
Mr. Ichord with Mr. Forrester.

Mr. JONES of Missouri changed his vote from "nay" to "yea."

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

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

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

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

MOTION TO RECOMMIT

Mr. OLIVER P. BOLTON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. OLIVER P. BOLTON. I am, Mr. Speaker.

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

The Clerk read as follows:

Mr. OLIVER P. BOLTON moves to recommit the bill (H.R. 3881) to the Committee on Banking and Currency, with instructions to report the same back to the House forthwith with an amendment as follows: Strike out all after the enacting clause and insert the following:

"That the Committees on Banking and Currency of the House and Senate shall conduct an intensive continuing review of—

"(1) the results derived from the mass transportation demonstration and research projects authorized under section 303 of the Housing Act of 1961, and

"(2) the status of the planning processes pursuant to section 134 of title 23 of the United States Code, in order to insure that

such processes and projects have been sufficiently carried forward to provide the engineering data and other information necessary for an effective mass transportation program before further action on such a program is undertaken by the Congress."

Mr. PATMAN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

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

The question was taken; and on a division (demanded by Mr. OLIVER P. BOLTON) there were—ayes 132, noes 187.

Mr. OLIVER P. BOLTON. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 190, nays 215, not voting 27, as follows:

[Roll No. 169]

YEAS—190

Abbutt	Fountain	Murray
Abele	Fuqua	Natcher
Abernethy	Gary	Nelsen
Adair	Gathings	Norblad
Alger	Gibbons	O'Hara, Mich.
Anderson	Goodell	Ostertag
Andrews, Ala.	Goodling	Fassman
Andrews, N. Dak.	Grant	Felly
Arends	Griffin	Pickle
Ashmore	Gross	Pillon
Ayres	Gubser	Pirnie
Baker	Gurney	Poff
Baldwin	Haley	Pool
Barry	Hall	Quie
Battin	Halleck	Quillen
Becker	Hardy	Reid, Ill.
Beermann	Harrison	Relief
Belcher	Harsha	Rhodes, Ariz.
Bell	Harvey, Ind.	Rich
Bennett, Fla.	Harvey, Mich.	Riehlman
Berry	Hébert	Roberts, Ala.
Betts	Henderson	Robison
Bolton,	Herlong	Rogers, Fla.
Frances P.	Hoeven	Roudebush
Bolton,	Horan	Roush
Oliver P.	Hosmer	Rumsfeld
Bow	Huddleston	St. George
Bray	Hull	Schenck
Brock	Hutchinson	Schneebell
Bromwell	Jarman	Selden
Broomfield	Jensen	Short
Brotzman	Johansen	Shriver
Brown, Ohio	Johnson, Pa.	Sikes
Broyhill, N.C.	Jonas	Siler
Broyhill, Va.	Jones, Mo.	Skubitz
Burleson	Kilburn	Smith, Calif.
Burton, Utah	King, N.Y.	Smith, Va.
Byrnes, Wis.	Knox	Snyder
Casey	Kornegay	Stafford
Cederberg	Kunkel	Stinson
Chamberlain	Kyl	Stubblefield
Chelf	Laird	Taft
Chenoweth	Langen	Talcott
Clancy	Latta	Taylor
Clausen,	Lennon	Teague, Calif.
Don H.	Lipscomb	Thomas
Clawson, Del.	Lloyd	Thomson, Wis.
Cleveland	McClory	Tuck
Collier	McCulloch	Tupper
Colmer	McIntire	Utt
Conte	McLoskey	Van Peit
Cramer	McMillan	Waggonner
Curtis	MacGregor	Watson
Derwinski	Marsh	Westland
Devine	Martin, Calif.	Whalley
Dole	Martin, Nebr.	Wharton
Dorn	Mathias	Whitener
Downing	Matthews	Whitten
Ellsworth	May	Williams
Findley	Meador	Wilson, Bob
Fisher	Michel	Wilson, Ind.
Ford	Minshall	Winstead
Foreman	Moore	Wyman
	Morton	Younger
	Mosher	

NAYS—215

Addabbo	Bates	Bonner
Albert	Beckworth	Brademas
Ashley	Blatnik	Brooks
Aspinall	Boggs	Brown, Calif.
Barrett	Boland	Buckley
Bass	Bolling	Burke

Burkhalter	Hays	Poage
Burton, Calif.	Healey	Price
Byrnes, Pa.	Hechler	Pucinski
Cahill	Hollifield	Purcell
Carey	Holland	Rains
Celler	Horton	Randall
Clark	Jennings	Reid, N.Y.
Cohelan	Joelson	Reuss
Cooley	Johnson, Calif.	Rhodes, Pa.
Corbett	Johnson, Wis.	Rivers, Alaska
Corman	Jones, Ala.	Rivers, S.C.
Cunningham	Karsten	Roberts, Tex.
Curtin	Karth	Rodino
Daddario	Kastenmeyer	Rogers, Colo.
Dague	Keith	Rooney, N.Y.
Daniels	Kelly	Rooney, Pa.
Davis, Ga.	Keogh	Roosevelt
Davis, Tenn.	King, Calif.	Rosenthal
Dawson	Kirwan	Rostenkowski
Delaney	Kluczynski	Roybal
Dent	Landrum	Ryan, Mich.
Denton	Lankford	Ryan, N.Y.
Derounian	Leggett	St Germain
Diggs	Lesinski	St. Onge
Dingell	Libonati	Saylor
Donohue	Lindsay	Schweiker
Dulski	Long, La.	Secrest
Duncan	Long, Md.	Sheppard
Dwyer	McDade	Shibley
Edmondson	McDowell	Sibal
Edwards	MacFall	Sickles
Elliott	Macdonald	Sisk
Everett	Madden	Slack
Fallon	Mahon	Smith, Iowa
Farbstein	Mailliard	Staebler
Fascell	Martín, Mass.	Staggers
Feighan	Matsunaga	Steed
Finnegan	Miller, Calif.	Stevens
Fino	Milliken	Stratton
Flood	Minish	Sullivan
Flynt	Monagan	Teague, Tex.
Fogarty	Montoya	Thompson, La.
Fraser	Moorhead	Thompson, N.J.
Frelinghuysen	Morgan	Thompson, Tex.
Gill	Morris	Toll
Frelinghuysen	Morrison	Tollefson
Gallagher	Morse	Trimble
Garmatz	Moss	Tuten
Gialmo	Multer	Udall
Gilbert	Murphy, Ill.	Ullman
Glenn	Murphy, N.Y.	Van Deerlin
Gonzalez	Nedzi	Vanik
Grabowski	Nix	Vinson
Gray	O'Brien, N.Y.	Wallhauser
Green, Pa.	O'Hara, Ill.	Weaver
Griffiths	O'Konski	Weltner
Grover	Olsen, Mont.	White
Hagan, Ga.	Olson, Minn.	Wickersham
Hagen, Calif.	O'Neill	Widnall
Halpern	Osmer	Wilson,
Hanna	Patman	Charles H.
Hansen	Patten	Wright
Harding	Pepper	Wylder
Hawkins	Perkins	Young
	Philbin	Zablocki
	Pike	

NOT VOTING—27

Ashbrook	Green, Oreg.	Powell
Auchincloss	Harris	Rogers, Tex.
Avery	Hoffman	Schadweg
Baring	Ichord	Schwengel
Bennett, Mich.	Kee	Scott
Bruce	Kilgore	Senner
Cameron	Miller, N.Y.	Springer
Evins	Mills	Watts
Forrester	Pilcher	Willis

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:
 Mr. Mills for, with Mr. Senner against.
 Mr. Schadeberg for, with Mr. Willis against.
 Mr. Schwengel for, with Mr. Powell against.
 Mr. Bruce for, with Mr. Pilcher against.

Until further notice:
 Mr. Cameron with Mr. Springer.
 Mr. Rogers of Texas with Mr. Bennett of Michigan.

Mr. Kilgore with Mr. Avery.
 Mr. Baring with Mr. Hoffman.
 Mr. Harris with Mr. Miller of New York.
 Mr. Evins with Mr. Ashbrook.
 Mr. Scott with Mrs. Kee.
 Mr. Forrester with Mr. Ichord.

Mr. O'HARA of Michigan and Mr. GUBSER changed their votes from "nay" to "yea."

Messrs. GRAY and SHEPPARD changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

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

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

The yeas and nays were ordered.

The question was taken; and there were—yeas 212, nays 189, answered "present" 3, not voting 27, as follows:

[Roll No. 170]

YEAS—212

Addabbo	Gill	Olson, Minn.
Albert	Glenn	O'Neill
Ashley	Gonzalez	Osmer
Aspinall	Grabowski	Patman
Auchincloss	Gray	Patten
Barrett	Green, Pa.	Pepper
Barry	Griffiths	Perkins
Bass	Grover	Philbin
Bates	Gubser	Pike
Beckworth	Hagan, Ga.	Price
Blatnik	Hagen, Calif.	Pucinski
Boggs	Halpern	Purcell
Boland	Hanna	Rains
Bolling	Hansen	Randall
Bonner	Harding	Reid, N.Y.
Brademas	Hawkins	Reuss
Brooks	Hays	Rhodes, Pa.
Brown, Calif.	Healey	Rivers, Alaska
Buckley	Hechler	Rivers, S.C.
Burke	Hollifield	Rodino
Burkhalter	Holland	Rogers, Colo.
Burton, Calif.	Horton	Rooney, N.Y.
Byrne, Pa.	Joelson	Rooney, Pa.
Cahill	Johnson, Calif.	Roosevelt
Carey	Johnson, Wis.	Rosenthal
Celler	Jones, Ala.	Rostenkowski
Clark	Karsten	Roybal
Cohelan	Karth	Ryan, Mich.
Conte	Kastenmeyer	Ryan, N.Y.
Cooley	Keith	St Germain
Corbett	Kelly	St. Onge
Corman	Keogh	Saylor
Cunningham	King, Calif.	Schweiker
Curtin	Kirwan	Secrest
Daddario	Kluczynski	Sheppard
Dague	Landrum	Shibley
Daniels	Lankford	Sibal
Davis, Ga.	Leggett	Sickles
Dawson	Lesinski	Sisk
Delaney	Libonati	Slack
Dent	Lindsay	Staebler
Denton	Long, La.	Staggers
Derounian	Long, Md.	Steed
Diggs	McDade	Stevens
Dingell	McDowell	Stratton
Donohue	McFall	Sullivan
Dulski	Macdonald	Thompson, La.
Duncan	Madden	Thompson, N.J.
Dwyer	Mailliard	Thompson, Tex.
Edmondson	Martín, Mass.	Toll
Edwards	Matsunaga	Tollefson
Elliott	Miller, Calif.	Trimble
Everett	Milliken	Tuten
Fallon	Minish	Udall
Farbstein	Minshall	Ullman
Fascell	Monagan	Van Deerlin
Feighan	Montoya	Vanik
Finnegan	Moorhead	Vinson
Fino	Morgan	Wallhauser
Flood	Morris	Weaver
Flynt	Morrison	Weltner
Fogarty	Morse	Whalley
Fraser	Moss	White
Frelinghuysen	Multer	Wickersham
Friedel	Murphy, Ill.	Widnall
Fulton, Pa.	Murphy, N.Y.	Wilson,
Fulton, Tenn.	Nedzi	Charles H.
Gallagher	Nix	Wyder
Garmatz	O'Brien, N.Y.	Young
Gialmo	O'Hara, Ill.	Younger
Gilbert	Olsen, Mont.	Zablocki

NAYS—189

Abbutt	Andrews,	Battin
Abele	N. Dak.	Becker
Abernethy	Arends	Beermann
Adair	Ashmore	Belcher
Alger	Ayres	Bell
Anderson	Baker	Bennett, Fla.
Andrews, Ala.	Baldwin	Berry

1964

CONGRESSIONAL RECORD — HOUSE

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Betts	Harvey, Ind.	Poage
Bolton,	Harvey, Mich.	Poff
Frances P.	Hébert	Pool
Bolton,	Henderson	Quile
Oliver P.	Herlong	Quillen
Bow	Hoeven	Reid, Ill.
Bray	Horan	Reifel
Brock	Hosmer	Rhodes, Ariz.
Bromwell	Huddleston	Rich
Broomfield	Hull	Riehlman
Brotzman	Hutchinson	Roberts, Ala.
Brown, Ohio	Jarman	Roberts, Tex.
Broyhill, N.C.	Jennings	Robison
Broyhill, Va.	Jensen	Rogers, Fla.
Burleson	Johnsen	Roudebush
Byrnes, Wis.	Johnson, Pa.	Roush
Casey	Jonas	Rumsfeld
Cederberg	Jones, Mo.	St. George
Chamberlain	Kilburn	Schenck
Chief	King, N.Y.	Schneebeli
Chenoweth	Knox	Selden
Clancy	Kornegay	Short
Clausen,	Kunkel	Shriver
Don H.	Laird	Sikes
Clawson, Del.	Langen	Siler
Cleveland	Latta	Skubitz
Collier	Lennon	Smith, Calif.
Colmer	Lipscomb	Smith, Iowa
Cramer	Lloyd	Smith, Va.
Curtis	McClory	Snyder
Derwinski	McCulloch	Stafford
Devine	McIntire	Stinson
Dole	McIntire	Stubblefield
Dorn	McLoskey	Taft
Dowdy	McMillan	Talcott
Downing	MacGregor	Taylor
Ellsworth	Mahon	Teague, Calif.
Findley	Marsh	Teague, Tex.
Fisher	Martin, Calif.	Thomas
Ford	Martin, Nebr.	Thomson, Wis.
Foreman	Mathias	Tuck
Fountain	Matthews	Tupper
Fuqua	May	Utt
Gary	Meador	Van Pelt
Gathings	Michel	Waggonner
Gibbons	Moore	Watson
Goodell	Morton	Westland
Goodling	Mosher	Wharton
Grant	Murray	Whitener
Griffin	Natcher	Whitten
Gross	Nelsen	Williams
Gurney	Norblad	Wilson, Bob
Haley	Ostertag	Wilson, Ind.
Hall	Passman	Winstead
Halleck	Pelly	Wright
Hardy	Pickle	Wyman
Harrison	Pillion	
Harsha	Pirnie	

ANSWERED "PRESENT"—3

Davis, Tenn. O'Hara, Mich. O'Konski

NOT VOTING—27

Ashbrook	Green, Oreg.	Powell
Avery	Harris	Rogers, Tex.
Baring	Hoffman	Schadberg
Bennett, Mich.	Ichord	Schwengel
Bruce	Kee	Scott
Burton, Utah	Kilgore	Senner
Cameron	Miller, N.Y.	Springer
Evins	Mills	Watts
Forrester	Pilcher	Willis

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Pilcher for, with Mr. Davis of Tennessee against.

Mr. Willis for, with Mr. O'Konski against.

Mr. Powell for, with Mr. O'Hara of Michigan against.

Mr. Senner for, with Mr. Mills against.

Until further notice:

Mr. Cameron with Mr. Avery.

Mr. Kilgore with Mr. Burton of Utah.

Mr. Rogers of Texas with Mr. Schadberg.

Mrs. Green or Oregon with Mr. Springer.

Mr. Scott with Mr. Ashbrook.

Mr. Evins with Mr. Schwengel.

Mr. Baring with Mr. Bruce.

Mr. Harris with Mr. Bennett of Michigan.

Mr. Forrester with Mr. Miller of New York.

Mr. Watts with Mr. Hoffman.

Mr. Ichord with Mrs. Kee.

Mr. O'HARA of Michigan. Mr. Speaker, I have a live pair with the gentleman

from New York [Mr. POWELL]. If he were present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. O'KONSKI. Mr. Speaker, I have a live pair with the gentleman from Louisiana [Mr. WILLIS]. If he had been present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. DAVIS of Tennessee. Mr. Speaker, I have a live pair with the gentleman from Georgia [Mr. PILCHER]. Had he been present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. RAINS. Mr. Speaker, pursuant to House Resolution 732, I call up from the Speaker's table for immediate consideration the bill (S. 6) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Urban Transportation Act of 1963".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds—

(1) that the predominant part of the Nation's population is located in its rapidly expanding metropolitan and other urban areas, which generally cross the boundary lines of local jurisdictions and often extend into two or more States;

(2) that the welfare and vitality of urban areas, the satisfactory movement of people and goods within such areas, and the effectiveness of housing, urban renewal, highway, and other federally aided programs are being jeopardized by the deterioration or inadequate provision of urban transportation facilities and services, the intensification of traffic congestion, and the lack of coordinated transportation and other development planning on a comprehensive and continuing basis; and

(3) that Federal financial assistance for the development of efficient and coordinated mass transportation systems is essential to the solution of these urban problems.

(b) The purposes of this Act are—

(1) to assist in the development of improved mass transportation facilities, equipment, techniques, and methods, with the cooperation of mass transportation companies both public and private;

(2) to encourage the planning and establishment of areawide urban mass transportation systems needed for economical and desirable urban development, with the cooperation of mass transportation companies both public and private; and

(3) to provide assistance to State and local governments and their instrumentalities in financing such systems, to be operated by public or private mass transportation companies as determined by local needs.

SEC. 3. (a) In accordance with the provisions of this Act, the Administrator is authorized to guarantee qualified revenue bonds or, where the Administrator has determined that such guaranteed revenue bonds would not provide the financial assistance

required by the applicant, to make grants or loans (directly, through the purchase of securities or equipment trust certificates, or otherwise) to assist States and local public bodies and agencies thereof, and mass transportation companies both public and private, in financing the acquisition, construction, reconstruction, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service in urban areas and in coordinating such service with highway and other transportation in such areas. Assistance may be provided for land and improvements acquired or constructed in advance of such use, if the Administrator obtains adequate assurance of repayment of the assistance where the land and improvements are not in fact put to the proposed use within a reasonable period of time. Eligible facilities and equipment may include land (but not public highways), buses and other rolling stock, and any other real or personal property needed for an efficient and coordinated mass transportation system. No guarantee of revenue bonds, grant or loan shall be provided under this section unless the Administrator determines that the applicant (which in no case shall be a private company) has or will have (1) the legal, financial, and technical capacity to carry out the proposed project, and (2) satisfactory continuing control, through operation or lease or otherwise, over the use of the facilities and equipment. The applicant shall, with respect to private mass transportation companies, give full consideration to the exercise of such continuing control through the appropriate existing governmental regulatory agency authorized to issue to the operating company, in the form of certificates of public convenience and necessity, franchises, or other indicia of operating authority, the authority to operate as a private mass transportation company. No such funds shall be used for payment of ordinary governmental or nonproject operating expenses.

(b) (1) No financial assistance shall be made available under this Act to any State or local public body or agency thereof for the purpose, directly or indirectly, of acquiring any interest in, or purchasing any facilities or other property of a private mass transportation company, or for the purpose of constructing, improving, or reconstructing any facilities or other property acquired, after the effective date of this Act, from any such company; unless (A) such company has, prior to such acquisition, been declared bankrupt or placed into receivership by a court of competent jurisdiction, or (B) the Administrator finds that such assistance is essential to a program, proposed or under active preparation, for the acquisition of mass transportation facilities or property which are supplementary to the service provided by an existing publicly owned or operated mass transportation system, and (C) in either situation under A or B, the Administrator and the Secretary of Labor, acting jointly in accordance with the provisions of section 19(c) of this Act, find that the project to be assisted complies with the requirements set forth therein.

(b) (2) No financial assistance shall be made available under this Act to any State or local public body or agency thereof for the purpose of providing by contract or otherwise for the operation of mass transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing mass transportation company unless (A) the Administrator finds that such assistance is essential to a program, proposed or under active preparation, for a unified or officially coordinated urban transportation system as part of the comprehensively planned development of the urban area, (B) the Administrator finds that such program, to the maximum extent

feasible, provides for the participation of private mass transportation companies, and (C) the Administrator and the Secretary of Labor, acting jointly in accordance with the provisions of section 19(c) of this Act, find that such program complies with the requirements set forth therein.

(c) No Federal assistance under this Act shall be extended to any State or local public body or agency thereof to assist any private mass transportation company unless the Administrator is assured that the State or States and the local public bodies or agencies thereof in the area covered by a proposed project have afforded the company every feasible relief, compatible with their own fiscal responsibilities, including, but not necessarily limited to, relinquishment of real property taxes, personal property taxes and franchise taxes; and no Federal assistance shall be extended under this Act to any State or local public body or agency thereof to assist a public mass transportation company or any division or segment of its operations when one or more other divisions or segments are operating profitably unless the Administrator is assured that the transfer of funds from one division or segment to another would not be compatible with the maintenance of a coordinated mass transportation system in the area covered by the proposed project.

(d) No loan shall be made under this section for any project for which a grant is made under this section, except grants made for relocation payments in accordance with section 18(b). Loans under this section shall be subject to the restrictions and limitations set forth in paragraphs (1), (2), and (3) of section 202(b) of the Housing Amendments of 1955. The authority provided in section 203 of such amendments to obtain funds for loans under clause (2) of section 202(a) of such amendments shall (except for undisbursed loan commitments) hereafter be exercised by the Administrator (without regard to the proviso in section 202(d) of such amendments) solely to obtain funds for loans under this section.

(e) Section 203(a) of the Housing Amendments of 1955 is amended by inserting before the period at the end of the third sentence a semicolon and the following: "except that notes or other obligations issued by the Administrator to the Secretary of the Treasury to obtain funds to provide financial assistance under section 202(a)(2) (as modified by section 3(d) of the Urban Mass Transportation Act of 1963) shall bear interest at a rate determined by the Secretary of the Treasury on the basis of the current average yield on outstanding marketable obligations of the United States of comparable maturities as of the last day of the month preceding the issuance by the Administrator of the notes or other obligations".

LONG-RANGE PROGRAM

SEC. 4. Except as specified in section 14, no Federal financial assistance shall be provided pursuant to section 3 unless the Administrator determines that the facilities and equipment for which the assistance is sought are needed for carrying out a program, meeting criteria established by him, for a unified or officially coordinated urban transportation system as a part of the comprehensively planned development of the urban area, and are necessary for the sound, economic, and desirable development of such area. Such a program shall encourage, to the maximum extent feasible, the participation of private enterprise. Where facilities and equipment are to be acquired which are already being used in mass transportation service in the urban area, the program must provide that they shall be so improved (through modernization, extension, addition, or otherwise) that they will better serve the transportation needs of the area.

GUARANTEED BOND PROGRAM

SEC. 5. (a) The Administrator, upon application of a State, local public body or agency thereof, is authorized, in accordance with the provisions of this Act—

(1) to guarantee the payment of so much of the interest and the repayment of so much of the principal on the revenue bonds of such State, local public body, or agency thereof as would, but for such guarantee, be unpaid when due; and

(2) upon such terms as he may prescribe, to make commitments to guarantee the payment of interest and principal of any such revenue bonds prior to the date of execution or sale thereof.

(b) Each contract of guarantee made under this Act shall run to, and shall be for the benefit of, the owners of such revenue bonds.

(c) The faith and credit of the United States is solemnly pledged to the payment of so much of the interest and to the repayment of so much of the principal on each revenue bond guaranteed or committed to be guaranteed under this Act as would, but for the guarantee provided for by this Act, be unpaid, when due.

(d) The Administrator shall not enter into any contract of guarantee (or of commitment to guarantee) under this Act if such contract, when taken together with other contracts of guarantee outstanding under this Act, would guarantee the payment of bonds exceeding \$375,000,000.

(e) The Administrator shall charge in connection with every contract of guarantee under this Act a premium equal to one-quarter of 1 per centum of the face value of the bonds so guaranteed.

SEC. 6. To be eligible for a guarantee under this Act, any revenue bond shall—

(1) expressly state on its face that the State, local public body, or agency thereof issuing said bond has waived the normal status of said bond as exempt from the provisions of the Federal income tax laws, and the interest on any bond expressing such waiver shall not be exempt from taxation under the Federal income tax laws;

(2) be issued for the purpose of securing funds for a program (as described in sections 3(a) and 4) approved by the Administrator, and at least 25 per centum of the financing of such program shall be by bonds or securities not guaranteed under this Act, so that the federally guaranteed portion shall not constitute more than 75 per centum of the total cost of the program;

(3) bear interest at an average interest rate approved by the Administrator and have a maturity date not in excess of fifty years;

(4) be determined by the Administrator to be of such sound value or so secured as reasonably to assure the punctual payment of principal and interest on the date or dates such payments are due and payable; and

(5) be issued under a trust indenture duly entered into between the State, local public body, or agency thereof and a corporate trustee approved by the Administrator containing all of the provisions required by section 7 of this Act and such other provisions as may be required by the Administrator and as may be agreed upon between such State, local public body or agency thereof and the trustee.

SEC. 7. (a) A trust indenture or supplemental trust indenture under which revenue bonds guaranteed under this Act are issued shall include provisions satisfactory to the Administrator—

(1) requiring the State, local public body, or agency thereof to insure that the mass rapid transit system or those portions thereof financed with the proceeds of the bonds is properly operated, kept at all times in good repair, working order, and condition, and that all lawful claims for labor, materials, and supplies or other charges are discharged and paid;

(2) requiring the State, local public body, or agency thereof to insure that the rates, fares, tolls, rentals, or other charges in connection with the services and facilities furnished from the mass rapid transit system, or any part thereof, financed from part or all of the proceeds of the bonds, are at least sufficient to pay the principal of and interest on the bonds as they become due and payable, together with all expenses of operation, maintenance, and repair of the system;

(3) requiring the State, local public body, or agency thereof to punctually pay or cause to be paid from its revenues the principal of all guaranteed revenue bonds and the interest thereon on the date or dates, at the place or places, and in the manner specified in the bonds; and

(4) providing for the systematic accumulation of revenues for the payment of the principal of all guaranteed revenue bonds and the interest thereon, which provisions shall be designed to assure that the State, local public body, or agency thereof, or the trustee of the trust indenture or supplemental trust indenture under which the guaranteed revenue bonds were issued, shall have accumulated revenues on or before the fifteenth day prior to the date or dates on which any installment of principal or interest becomes due and payable sufficient to pay in full such installment of principal or interest.

(b) Any such trust indenture or supplemental trust indenture shall also include provisions satisfactory to the Administrator requiring that in the event the State, local public body, or agency thereof has not, on the fifteenth day prior to the date or dates on which any installment of principal or interest becomes due and payable, accumulated, in the manner provided in paragraph (4) subsection (a) of this section, revenues sufficient to pay in full such installment of principal or interest, the State, local public body, or agency thereof, or the trustee of the trust indenture or supplemental trust indenture under which the guaranteed revenue bonds were issued, shall forthwith make and serve upon the Administrator a written demand for the amount of money needed to pay in full such installment of principal or interest less the amount of revenues then accumulated for the payment of that installment of principal or interest. Such written demand shall be accompanied by a note made payable to the Federal transit revenue bond guarantee fund, created by section 10 of this Act, which shall constitute a binding obligation of the State, local public body, or agency thereof, as determined by the Administrator, and shall be in a principal amount equal to the amount of money demanded of the Administrator. Such note shall mature on or before a date six months following the date established for the retirement of the guaranteed revenue bond issue or, in case any prior note or notes are then held by the Secretary, on or before a date six months following the date of maturity of the prior note of latest maturity. Such note shall bear interest at a rate one-quarter of 1 per centum per annum higher than the average net interest cost of the entire guaranteed revenue bond issue, and shall be payable at maturity: *Provided*, That in no event should the interest rate of the notes so obtained be less than the interest rate accruing on Federal borrowings, as determined by the Secretary of the Treasury on the obligations of the United States of comparable maturities as of the last day of the month preceding the issuance of the notes. Nothing in this section shall preclude the Administrator from taking any remedial action otherwise available.

SEC. 8. Within ten days from the date of any demand made by a State, local public body, or agency thereof or trustee pursuant to the trust indenture provision required by section 7 of this Act, the Administrator shall

pay to the trustee of the trust indenture or supplemental trust indenture under which the guaranteed revenue bonds were issued the amount of money specified in the demand, which money shall be applied by the trustee to the payment of the installment of principal or interest (or both) for which such money was demanded. Any money required to be paid by the Administrator to the trustee pursuant to this section shall be paid in funds good to the trustee on the payment date.

SEC. 9. The Administrator may, by rule or regulation, require States, local public bodies, or agencies thereof having outstanding revenue bonds guaranteed under this Act to submit to the Administrator from time to time such reports as in the opinion of the Administrator are necessary or desirable to enable the Administrator to anticipate in advance possible demands which may be made upon the Administrator for moneys required to be paid by the Administrator under section 8 of this Act.

SEC. 10. There is created a Federal transit revenue bond guarantee fund (hereinafter referred to as the "fund") which shall be used by the Administrator as a revolving fund for carrying out the provisions of this Act relating to the guarantee of revenue bonds and for the administrative expenses in connection therewith. All premiums and earnings on the assets of the fund shall be credited to the fund. Any moneys required to be paid by the Administrator under section 8 of this Act, and all administrative expenses in connection with the guarantee of revenue bonds under this Act, shall be paid from the fund; and there is authorized to be appropriated to the fund such sums as may be necessary to make such payments. The faith and credit of the United States is solemnly pledged to the payment of all moneys required to be paid by the Administrator under section 8 of this Act. Moneys in the fund not needed for current operations under this Act shall be deposited with the Treasurer of the United States to the credit of the fund or invested in bonds or other obligations of, or guaranteed as to principal and interest by, the United States.

SEC. 11. The Administrator is authorized and directed to make such rules and regulations as may be deemed necessary or appropriate to carry out the purposes and provisions of this Act: *Provided*, That no provisions of this Act shall be construed to authorize the Administrator to regulate in any manner the mode of operation of any mass rapid transit system or the rates, fares, tolls, rentals, or other charges fixed or prescribed by any State, local public body, or agency thereof.

SEC. 12. The limitations and restrictions on the powers of national banking associations contained in paragraph "Seventh" of section 5136 of the Revised Statutes, as amended (12 U.S.C. 24), as to dealing in, underwriting, and purchasing for their account investment securities shall not apply to revenue bonds of a State, local public body, or agency thereof which are guaranteed by the Administrator under this Act.

GRANT PROGRAM

SEC. 13. (a) The Administrator shall estimate what portion of the cost of a project to be assisted under section 3 of this Act cannot be reasonably financed from revenues—which portion shall hereinafter be called "net project cost." The Federal grant for such a project shall not exceed two-thirds of the net project cost. The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds, and no refund or reduction of that portion so provided shall be made at any time unless there is at the same time a refund of a proportional amount of the Federal grant. In determining net project cost for any project to be assisted under section 3, any estimate of

revenues shall not be reduced by any amount to be allocated as a reserve for replacement of equipment or facilities. No grant shall be made for any project pursuant to section 3 unless the Administrator determines that (1) there exists a commitment from non-Federal sources to supply the remainder of the net project cost, and (2) the Federal Government's interest in the project is adequately protected in the event of a default or a failure to complete such project.

(b) To finance grants under this Act there is hereby authorized to be appropriated at any time after its enactment not to exceed \$75,000,000 for fiscal years 1963 and 1964; \$150,000,000 for fiscal year 1965; and \$150,000,000 for fiscal year 1966. Any amount so appropriated shall remain available until expended; and any amount authorized but not appropriated for any fiscal year may be appropriated for any succeeding fiscal year. The Administrator is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes (31 U.S.C. 529), as amended, to make advance or progress payments on account of any grant made pursuant to this Act.

(c) Any application under section 3 for a grant to assist any project for the provision of mass transportation service in an urban area shall include a schedule of fares, determined by the Administrator to be economically sound, and upon the basis of which the Administrator shall make his estimate of net project cost. If, at any time after the making of such grant while any revenue obligations issued to finance the project are outstanding, a change is effected in such schedule which the Administrator determines will substantially reduce revenues from the project and lessen the chances for an economically sound operation, he shall so notify the recipient of such grant. Thereafter, the Administrator shall not extend any assistance under any law administered by the Housing and Home Finance Agency (except pursuant to a commitment entered into prior to such notice) to finance in whole or in part any project to be undertaken in such area, until he determines that such schedule has been so revised, or that other action has been so taken, as to permit an economically sound operation.

EMERGENCY PROGRAM

SEC. 14. Prior to July 1, 1966, Federal financial assistance may be provided pursuant to section 3 where (1) the program for the development of a unified or officially coordinated urban transportation system, referred to in section 4, is under active preparation although not yet completed, (2) the facilities and equipment for which the assistance is sought can reasonably be expected to be required for such a system, and (3) there is an urgent need for their preservation or provision. The Federal grant for such a project shall not exceed one-half of the net project cost: *Provided*, That where a Federal grant is made on such a one-half basis, and the planning requirements specified in section 4 are fully met within a three-year period after the execution of the grant agreement, an additional grant may then be made to the applicant equal to one-sixth of the net project cost. The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds, and no refunds or reduction of that portion so provided shall be made at any time unless there is at the same time a refund of a proportional amount of the Federal grant.

RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROJECTS

SEC. 15. (a) The Administrator is authorized to undertake research, development, and demonstration projects in all phases of urban mass transportation (including the development, testing, and demonstration of new facilities, equipment, techniques, and

methods) which he determines will assist in the reduction of urban transportation needs, the improvement of mass transportation service, or the contribution of such service toward meeting total urban transportation needs at minimum cost. He may undertake such projects independently or by contract (including working agreements with other Federal departments and agencies). In carrying out the provisions of this section, the Administrator is authorized to request and receive such information or data as he deems appropriate from public or private sources.

(b) The Administrator may make available to finance projects under this section not to exceed \$10,000,000 of the mass transportation grant authorization provided in section 13(b), which limit shall be increased to \$20,000,000 on July 1, 1964, and to \$30,000,000 on July 1, 1965. In addition, notwithstanding the provisions of section 4 of this Act or of section 103(b) of the Housing Act of 1949, the unobligated balance of the amount available for mass transportation demonstration grants pursuant to the proviso in such section 103(b) shall be available solely for financing projects under this section.

(c) Nothing contained in this section shall limit any authority of the Administrator under section 602 of the Housing Act of 1956 or any other provision of law.

(d) No part of any appropriated funds may be expended pursuant to authorization given by this Act for any technological research or development activity unless such expenditure is conditioned upon provisions determined by the Administrator, with the approval of the Attorney General, to be effective to insure that all information, uses, products, processes, patents, and other developments resulting from that activity will (with such exceptions and limitations as the Administrator may determine after consultation with the Secretary of Defense to be necessary in the interest of the national defense) be made freely and fully available to the general public. Nothing contained in this subsection shall deprive the owner of any background patent relating to any such activity of any right which that owner may have under that patent.

RELOCATION REQUIREMENTS AND PAYMENTS

SEC. 16. (a) No financial assistance shall be extended to any project under section 3 unless the Administrator determines that an adequate relocation program is being carried on for families displaced by the project and that there are being or will be provided (in the same area or in other areas generally not less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the displaced families) an equal number of decent, safe, and sanitary dwellings available to those displaced families and reasonably accessible to their places of employment.

(b) Notwithstanding any other provision of this Act, financial assistance extended to any project under section 3 may include grants for relocation payments, as herein defined. Such grants may be in addition to other financial assistance for the project under section 3, and no part of the amount of such relocation payments shall be required to be contributed as a local grant. The term "relocation payments" means payments by the applicant to individuals, families, business concerns, and nonprofit organizations for their reasonable and necessary moving expenses and any actual direct losses of property except goodwill or profit, for which reimbursement or compensation is not otherwise made, resulting from their displacement by the project. Such payments shall be made subject to such rules and regulations as may be prescribed by the Administrator, and shall not exceed \$200 in the

case of an individual or family, or \$3,000 (or if greater, the total certified actual moving expenses) in the case of a business concern or nonprofit organization. Such rules and regulations may include provisions authorizing payment to individuals and families of fixed amounts (not to exceed \$200 in any case) in lieu of their respective reasonable and necessary moving expenses and actual direct losses of property.

COORDINATION OF FEDERAL ASSISTANCE FOR HIGHWAYS AND FOR MASS TRANSPORTATION FACILITIES

SEC. 17. (a) In order to assure coordination of highway and railway and other mass transportation planning and development programs in urban areas, particularly with respect to the provision of mass transportation facilities in connection with federally assisted highways (including the acquisition of land and the acquisition or construction of improvements in advance of such use), the Administrator and the Secretary of Commerce shall consult on general urban transportation policies and programs and shall exchange information and otherwise cooperate with respect to the planning, financing, and construction of proposed projects in urban areas.

(b) In order to be assured that proposed projects will not unnecessarily disrupt or otherwise have a deleterious effect (of a temporary or permanent nature) upon rail or motor carriers currently engaged in interstate commerce and subject to regulation by the Interstate Commerce Commission, the Administrator shall consult with the Chairman of the Interstate Commerce Commission with respect to proposed projects affecting interstate transportation, and the Administrator and the Chairman of the Interstate Commerce Commission shall exchange information and otherwise cooperate with respect to such projects.

GENERAL PROVISIONS

SEC. 18. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this Act, the Administrator shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties set forth in section 402, except subsections (c) (2) and (f), of the Housing Act of 1950. Subject to the provisions of section 10, funds obtained or held by the Administrator in connection with the performance of his functions under this Act shall be available for the administrative expenses of the Administrator in connection with the performance of such functions.

(b) To insure that small business concerns are given an equitable opportunity to share in all procurement aspects of any project for which a loan or grant is made under this Act, the Administrator shall cooperatively develop with the Small Business Administration within four months after the effective date of this paragraph a small business contracting program to be applicable to all such projects. The program shall contain such provisions as may be necessary to (1) enable small business concerns to have an equitable opportunity to compete, either directly or as subcontractors, for contracts and procurements for property and services awarded in the implementation and effectuation of the purposes of this Act, and (2) enable the Small Business Administration to obtain from the local public bodies and mass transportation companies such reasonably obtainable information concerning contracts and procurement, including subcontracts thereunder, awarded in the implementation and effectuation of the purposes of this Act.

(c) All contracts for construction, reconstruction, or improvement of facilities and equipment in furtherance of the purposes for which a loan, grant, or guarantee is made under this Act, entered into by applicants

under other than competitive bidding procedures as defined by the Administrator, shall provide that the Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall, for the purpose of audit and examination, have access to any books, documents, papers, and records of the contracting parties that are pertinent to the operations or activities under such contracts.

(d) As used in this Act—

(1) the term "States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States;

(2) the term "local public bodies" includes municipalities and other political subdivisions of States; public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States; and public corporations, boards, and commissions established under the laws of any State;

(3) the term "Administrator" means the Housing and Home Finance Administrator;

(4) the term "urban area" means any area that includes a municipality or other built-up place which is appropriate, in the judgment of the Administrator, for a public transportation system to serve commuters or others in the locality taking into consideration the local patterns and trends of urban growth; and

(5) the term "mass transportation" means transportation by bus or rail or other conveyance, either publicly or privately owned, serving the general public and moving over prescribed routes, but does not include charter or sightseeing service, or aircraft or steamship service (other than ferrying service).

(e) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the funds necessary to carry out all functions under this Act except loans under section 3. All funds appropriated under this Act for other than administrative expenses shall remain available until expended.

(f) Except as otherwise provided in this subsection, contracts for grants under section 3 (other than relocation payments in accordance with section 16(b)) for projects in any one State shall not exceed in the aggregate 12½ per centum of the amount of grant funds appropriated under the authority contained in section 13(b). The Administrator may make additional contracts for such grants (subject to the limitations prescribed in section 13(b)) aggregating not to exceed 10 per centum of the amount appropriated, but such additional contracts for grants for projects in any one State shall not exceed in the aggregate 1 per centum of the amount appropriated. In the case of any project undertaken in two or more States, in accordance with a duly approved compact or other agreement, the Administrator may apply the foregoing limitations by allocating any portion of the grants contracted for such project to any one or more of such States.

(g) The Administrator shall make an annual report to the President for submission to the Congress on the administration of this Act. Such report shall indicate to whom financial assistance has been extended pursuant to this Act, the purposes for which such assistance is to be utilized, and the amounts involved, and may include such other information, comments, and recommendations as the Administrator deems appropriate.

(h) The first sentence of section 814 of the Housing Act of 1954, as amended (42 U.S.C. 1434), is amended by—

(1) inserting after "grant," the first place it appears, the following: "guaranteed revenue bond issue,";

(2) inserting after "grant," the second place it appears, the following: "guaranteed

revenue bond issue (including the revenues from which the bonded indebtedness is to be repaid)."; and

(3) inserting after "grant," the third place it appears, the following: "guaranteed revenue bond issue,".

LABOR STANDARDS

SEC. 19. (a) The Administrator shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed with the assistance of loans or grants under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended. The Administrator shall not approve any such loan or grant without first obtaining adequate assurance that these labor standards will be maintained upon the construction work.

(b) The Secretary of Labor shall have, with respect to the labor standards specified in subsection (a), the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 P.R. 3176, 64 Stat. 1267, 5 U.S.C. 1332-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, 40 U.S.C. 276c).

(c) It shall be a condition of the granting of any assistance or the financing of any project under this Act that fair and equitable arrangements are made, as determined jointly by the Administrator and the Secretary of Labor, to protect the interests of employees affected by such assistance or financing. Such protective arrangements shall include, without being limited to, such provisions as may be necessary for (1) the preservation of rights, privileges, and benefits (including the continuation of pension rights and benefits of all beneficiaries) under existing collective bargaining agreements or otherwise; (2) the continuation of collective bargaining in any situation where it now exists; (3) the protection of individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to the provisions of section 5(2)(f) of the Interstate Commerce Act; (4) assurances of employment to employees of acquired mass transportation systems by the acquiring or operating entities, and priority of employment or reemployment of employees terminated or laid off; and (5) paid training or retraining programs. The contract for the granting of such assistance shall specify the terms and conditions of such protective arrangements.

AIR POLLUTION CONTROL

SEC. 20. In providing financial assistance to any project under section 3, the Administrator shall take into consideration whether the facilities and equipment to be acquired, constructed, reconstructed, or improved will be designed and equipped to prevent and control air pollution in accordance with any criteria established for this purpose by the Secretary of Health, Education, and Welfare.

Mr. RAINS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAINS: Strike out all after the enacting clause and insert in lieu thereof the provisions contained in the bill H.R. 3881 as passed by the House, as follows:

"That this Act may be cited as the 'Urban Mass Transportation Act of 1964.'

"FINDINGS AND PURPOSES

"SEC. 2. (a) The Congress finds—

"(1) that the predominant part of the Nation's population is located in its rapidly expanding metropolitan and other urban areas, which generally cross the boundary

lines of local jurisdictions and often extend into two or more States;

"(2) that the welfare and vitality of urban areas, the satisfactory movement of people and goods within such areas, and the effectiveness of housing, urban renewal, highways, and other federally aided programs are being jeopardized by the deterioration or inadequate provision of urban transportation facilities and services, the intensification of traffic congestion, and the lack of coordinated transportation and other development planning on a comprehensive and continuing basis; and

"(3) that Federal financial assistance for the development of efficient and coordinated mass transportation systems is essential to the solution of these urban problems.

"(b) The purposes of this Act are—

"(1) to assist in the development of improved mass transportation facilities, equipment, techniques, and methods, with the cooperation of mass transportation companies both public and private;

"(2) to encourage the planning and establishment of areawide urban mass transportation systems needed for economical and desirable urban development, with the cooperation of mass transportation companies both public and private; and

"(3) to provide assistance to State and local governments and their instrumentalities in financing such systems, to be operated by public or private mass transportation companies as determined by local needs.

"FEDERAL FINANCIAL ASSISTANCE

"SEC. 3. (a) In accordance with the provisions of this Act, the Administrator is authorized to make grants or loans (directly, through the purchase of securities or equipment trust certificates, or otherwise) to assist States and local public bodies and agencies thereof in financing the acquisition, construction, reconstruction, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service in urban areas and in coordinating such service with highway and other transportation in such areas. Eligible facilities and equipment may include land (but not public highways), buses and other rolling stock, and other real or personal property needed for an efficient and coordinated mass transportation system. No grant or loan shall be provided under this section unless the Administrator determines that the applicant has or will have (1) the legal, financial, and technical capacity to carry out the proposed project, and (2) satisfactory continuing control, through operation or lease or otherwise, over the use of the facilities and equipment. No such funds shall be used for payment of ordinary governmental or nonproject operating expenses.

"(b) No loan shall be made under this section for any project for which a grant is made under this section, except grants made for relocation payments in accordance with section 7(b). Loans under this section shall be subject to the restrictions and limitations set forth in paragraphs (1), (2), and (3) of section 202(b) of the Housing Amendments of 1955. The authority provided in section 203 of such Amendments to obtain funds for loans under clause (2) of section 202(a) of such Amendments shall (except for undischarged loan commitments) hereafter be exercised by the Administrator (without regard to the proviso in section 202(d) of such Amendments) solely to obtain funds for loans under this section.

"(c) No financial assistance shall be provided under this Act to any State or local public body or agency thereof for the purpose, directly or indirectly, of acquiring any interest in, or purchasing any facilities or other property of, a private mass transportation company, or for the purpose of constructing, improving, or reconstructing any facilities or other property acquired (after

the date of the enactment of this Act) from any such company, or for the purpose of providing by contract or otherwise for the operation of mass transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing mass transportation company, unless (1) the Administrator finds that such assistance is essential to a program, proposed or under active preparation, for a unified or officially coordinated urban transportation system as part of the comprehensively planned development of the urban area, (2) the Administrator finds that such program, to the maximum extent feasible, provides for the participation of private mass transportation companies, (3) just and adequate compensation will be paid to such companies for acquisition of their franchises or property to the extent required by applicable State or local laws, and (4) the Secretary of Labor certifies that such assistance complies with the requirements of section 10(c) of this Act.

"LONG-RANGE PROGRAM

"SEC. 4. (a) Except as specified in section 5, no Federal financial assistance shall be provided pursuant to section 3 unless the Administrator determines that the facilities and equipment for which the assistance is sought are needed for carrying out a program, meeting criteria established by him, for a unified or officially coordinated urban transportation system as a part of the comprehensively planned development of the urban area, and are necessary for the sound, economic, and desirable development of such area. Such program shall encourage to the maximum extent feasible the participation of private enterprise. Where facilities and equipment are to be acquired which are already being used in mass transportation service in the urban area, the program must provide that they shall be so improved (through modernization, extension, addition, or otherwise) that they will better serve the transportation needs of the area. The Administrator, on the basis of engineering studies, studies of economic feasibility, and data showing the nature and extent of expected utilization of the facilities and equipment, shall estimate what portion of the cost of a project to be assisted under section 3 cannot be reasonably financed from revenues— which portion shall hereinafter be called 'net project cost'. The Federal grant for such a project shall not exceed two-thirds of the net project cost. The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds, and no refund or reduction of that portion so provided shall be made at any time unless there is at the same time a refund of a proportional amount of the Federal grant.

"(b) To finance grants under this Act there is hereby authorized to be appropriated at any time after its enactment not to exceed \$75,000,000 for fiscal year 1965; \$150,000,000 for fiscal year 1966; and \$150,000,000 for fiscal year 1967. Any amount so appropriated shall remain available until expended; and any amount authorized but not appropriated for any fiscal year may be appropriated for any succeeding fiscal year. The Administrator is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes, as amended, to make advance or progress payments on account of any grant made pursuant to this Act.

"EMERGENCY PROGRAM

"SEC. 5. Prior to July 1, 1967, Federal financial assistance may be provided pursuant to section 3 where (1) the program for the development of a unified or officially coordinated urban transportation system, referred to in section 4(a), is under active preparation although not yet completed, (2) the facilities and equipment for which the assistance is sought can reasonably be expected to be required for such a system, and

(3) there is an urgent need for their preservation or provision. The Federal grant for such a project shall not exceed one-half of the net project cost: *Provided*, That where a Federal grant is made on such a one-half basis, and the planning requirements specified in section 4(a) are fully met within a three-year period after the execution of the grant agreement, an additional grant may then be made to the applicant equal to one-sixth of the net project cost. The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds, and no refund or reduction of that portion so provided shall be made at any time unless there is at the same time a refund of a proportional amount of the Federal grant.

"RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROJECTS

"SEC. 6 (a) The Administrator is authorized to undertake research, development, and demonstration projects in all phases of urban mass transportation (including the development, testing, and demonstration of new facilities, equipment, techniques, and methods) which he determines will assist in the reduction of urban transportation needs, the improvement of mass transportation service, or the contribution of such service toward meeting total urban transportation needs at minimum cost. He may undertake such projects independently or by contract (including working agreements with other Federal departments and agencies). In carrying out the provisions of this section, the Administrator is authorized to request and receive such information or data as he deems appropriate from public or private sources.

"(b) The Administrator may make available to finance projects under this section not to exceed \$10,000,000 of the mass transportation grant authorization provided in section 4(b), which limit shall be increased to \$20,000,000 on July 1, 1965, and to \$30,000,000 on July 1, 1966. In addition, notwithstanding the provisions of section 4 of this Act or of section 103(b) of the Housing Act of 1949, the unobligated balance of the amount available for mass transportation demonstration grants pursuant to the proviso in such section 103(b) shall be available solely for financing projects under this section.

"(c) Nothing contained in this section shall limit any authority of the Administrator under section 602 of the Housing Act of 1956 or any other provision of law.

"RELOCATION REQUIREMENTS AND PAYMENTS

"SEC. 7. (a) No financial assistance shall be extended to any project under section 3 unless the Administrator determines that an adequate relocation program is being carried on for families displaced by the project and that there are being or will be provided (in the same area or in other areas generally not less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the displaced families) an equal number of decent, safe, and sanitary dwellings available to those displaced families and reasonably accessible to their places of employment.

"(b) Notwithstanding any other provision of this Act, financial assistance extended to any project under section 3 may include grants for relocation payments, as herein defined. Such grants may be in addition to other financial assistance for the project under section 8, and no part of the amount of such relocation payments shall be required to be contributed as a local grant. The term "relocation payments" means payments by the applicant to individuals, families, business concerns, and nonprofit organizations for their reasonable and necessary moving expenses and any actual direct losses of property, except goodwill or profit, for which

reimbursement or compensation is not otherwise made, resulting from their displacement by the project. Such payments shall be made subject to such rules and regulations as may be prescribed by the Administrator, and shall not exceed \$200 in the case of an individual or family, or \$3,000 (or if greater, the total certified actual moving expenses) in the case of a business concern or nonprofit organization. Such rules and regulations may include provisions authorizing payment to individuals and families of fixed amounts (not to exceed \$200 in any case) in lieu of their respective reasonable and necessary moving expenses and actual direct losses of property.

"COORDINATION OF FEDERAL ASSISTANCE FOR HIGHWAYS AND FOR MASS TRANSPORTATION FACILITIES

"Sec. 8. In order to assure coordination of highway and railway and other mass transportation planning and development programs in urban areas, particularly with respect to the provision of mass transportation facilities in connection with federally assisted highways, the Administrator and the Secretary of Commerce shall consult on general urban transportation policies and programs and shall exchange information on proposed projects in urban areas.

"GENERAL PROVISIONS

"Sec. 9. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this Act, the Administrator shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties set forth in section 402, except subsections (c) (2) and (f), of the Housing Act of 1950. Funds obtained or held by the Administrator in connection with the performance of his functions under this Act shall be available for the administrative expenses of the Administrator in connection with the performance of such functions.

"(b) All contracts for construction, reconstruction, or improvement of facilities and equipment in furtherance of the purposes for which a loan or grant is made under this Act, entered into by applicants under other than competitive bidding procedures as defined by the Administrator, shall provide that the Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall, for the purpose of audit and examination, have access to any books, documents, papers, and records of the contracting parties that are pertinent to the operations or activities under such contracts.

"(c) All contracts for construction, reconstruction, or improvement of facilities and equipment in furtherance of the purposes for which a loan or grant is made under this Act shall provide that in the performance of the work the contractor shall use only such manufactured articles as have been manufactured in the United States.

"(d) As used in this Act—

"(1) the term 'States' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States;

"(2) the term 'local public bodies' includes municipalities and other political subdivisions of States; public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States; and public corporations, boards, and commissions established under the laws of any State;

"(3) the term 'Administrator' means the Housing and Home Finance Administrator;

"(4) the term 'urban area' means any area that includes a municipality or other built-up place which is appropriate, in the judgment of the Administrator, for a public transportation system to serve commuters or others in the locality taking into consideration the local patterns and trends of urban growth; and

"(5) the term 'mass transportation' means transportation by bus or rail or other conveyance, either publicly or privately owned, serving the general public (but not including school buses or charter or sightseeing service) and moving over prescribed routes.

"(e) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the funds necessary to carry out all functions under this Act except loans under section 3. All funds appropriated under this Act for other than administrative expenses shall remain available until expended.

"(f) None of the provisions of this Act shall be construed to authorize the Administrator to regulate in any manner the mode of operation of any mass transportation system with respect to which a grant is made under section 3 or, after such grant is made, to regulate the rates, fares, tolls, rentals, or other charges fixed or prescribed for such system by any local public or private transit agency; but nothing in this subsection shall prevent the Administrator from taking such actions as may be necessary to require compliance by the agency or agencies involved with any undertakings furnished by such agency or agencies in connection with the application for the grant.

"LABOR STANDARDS

"Sec. 10. (a) The Administrator shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed with the assistance of loans or grants under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended. The Administrator shall not approve any such loan or grant without first obtaining adequate assurance that required labor standards will be maintained upon the construction work.

"(b) The Secretary of Labor shall have, with respect to the labor standards specified in subsection (a), the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 1332-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276c).

"(c) It shall be a condition of any assistance under this Act that fair and equitable arrangements are made, as determined by the Secretary of Labor, to protect the interests of employees affected by such assistance. Such protective arrangements shall include, without being limited to, such provisions as may be necessary for (1) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements or otherwise; (2) the continuation of collective bargaining rights; (3) the protection of individual employees against a worsening of their positions with respect to their employment; (4) assurances of employment to employees of acquired mass transportation systems and priority of reemployment of employees terminated or laid off; and (5) paid training or retraining programs. Such arrangements shall include provisions protecting individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to section 5(2)(f) of the Act of February 4, 1887 (24 Stat. 379), as amended. The contract for the granting of any such assistance shall specify the terms and conditions of the protective arrangements.

"AIR POLLUTION CONTROL

"Sec. 11. In providing financial assistance to any project under section 3, the Administrator shall take into consideration whether the facilities and equipment to be acquired, constructed, reconstructed, or improved will

be designed and equipped to prevent and control air pollution in accordance with any criteria established for this purpose by the Secretary of Health, Education, and Welfare.

"STATE LIMITATION

"Sec. 12. Grants made under section 3 (other than grants for relocation payments in accordance with section 7(b)) for projects in any one State shall not exceed in the aggregate 12½ per centum of the aggregate amount of grant funds authorized to be appropriated pursuant to section 4(b)."

The amendment was agreed to.

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

A motion to reconsider was laid on the table.

A similar House bill (H.R. 3881) was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. PATMAN. Mr. Speaker, I ask consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill H.R. 3881, just passed, and include extraneous matter.

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

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment, a joint resolution of the House of the following title:

H.J. Res. 1056. Joint resolution making continuing appropriations for the fiscal year 1965, and for other purposes.

LEGISLATIVE PROGRAM FOR WEEK OF JUNE 29

Mr. HALLECK. 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 Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I take this time to ask the acting majority leader if he can tell us the program for the balance of this week and for next week.

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

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

Mr. BOGGS. There is no further legislative program for the balance of this week, except for some measures from the Committee on Armed Services which will be called up by unanimous consent by the gentleman from Massachusetts [Mr. PHILBIN] for consideration later this afternoon.

On Monday the following measures from the Committee on Armed Services will be called up for consideration by unanimous consent:

H.R. 2509, authorizing Reserve officers to combine Reserve component service to

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the Government of Cuba. The House conferees were willing to accept this amendment, because in prior conference action they recognized that the failure to make this provision retroactive was due to an oversight in establishing the effective date. Therefore, acceptance of this amendment was in accord with the prior understanding on this matter.

Although I recognize that many Senators are disappointed that none of the excise tax reductions voted by this body appear in the conference report, I point out that failure to agree to the report would result in an excise tax reduction of nearly \$2 billion in an area of excise taxation where no one has expressed a desire for reduction. This would increase our deficit for the fiscal year which now is upon us to nearly \$8 billion, even if all the expenditures are held down to the levels most recently forecast by the administration. This would also necessitate further action in raising the statutory debt ceiling. Undoubtedly, we would have to raise this ceiling to \$326 billion if this report were not approved.

The **PRESIDING OFFICER**. The question is on agreeing to the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. **HUMPHREY**. I announce that the Senator from Maryland [Mr. **BREWSTER**], the Senator from North Carolina [Mr. **ERVIN**], the Senator from Arizona [Mr. **HAYDEN**], the Senator from Minnesota [Mr. **MCCARTHY**], the Senator from Utah [Mr. **MOSS**], and the Senator from Georgia [Mr. **RUSSELL**] are absent on official business.

I also announce that the Senator from Indiana [Mr. **BAYH**], the Senator from California [Mr. **ENGLE**], and the Senator from Massachusetts [Mr. **KENNEDY**] are absent because of illness.

I further announce that the Senator from Oklahoma [Mr. **EDMONDSON**] is necessarily absent.

I further announce that, if present and voting, the Senator from Indiana [Mr. **BAYH**], the Senator from Maryland [Mr. **BREWSTER**], the Senator from Oklahoma [Mr. **EDMONDSON**], the Senator from California [Mr. **ENGLE**], the Senator from Massachusetts [Mr. **KENNEDY**], the Senator from Utah [Mr. **MOSS**], and the Senator from Minnesota [Mr. **MCCARTHY**] would each vote "yea."

Mr. **KUCHEL**. I announce that the Senator from Illinois [Mr. **DIRKSEN**], the Senator from Hawaii [Mr. **FONG**], the Senator from Arizona [Mr. **GOLDWATER**], the Senator from Kansas [Mr. **PEARSON**], and the Senator from Pennsylvania [Mr. **SCOTT**] are necessarily absent.

The Senator from Idaho [Mr. **JORDAN**] is detained on official business; and, if present and voting, would vote "nay."

The Senator from Delaware [Mr. **WILLIAMS**] is absent to attend the funeral of a friend.

On this vote, the Senator from Illinois [Mr. **DIRKSEN**] is paired with the Senator from Hawaii [Mr. **FONG**]. If present and voting, the Senator from Illinois

would vote "yea," and the Senator from Hawaii would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. **SCOTT**] is paired with the Senator from Kansas [Mr. **PEARSON**]. If present and voting, the Senator from Pennsylvania would vote "yea," and the Senator from Kansas would vote "nay."

The result was announced—yeas 73, nays 10, as follows:

[No. 454 Leg.]

YEAS—73

Aiken	Hart	Nelson
Allott	Hill	Neuberger
Anderson	Holland	Pastore
Bartlett	Hruska	Pell
Beall	Humphrey	Prouty
Bennett	Inouye	Proxmire
Bible	Jackson	Randolph
Boggs	Javits	Ribicoff
Burdick	Johnston	Robertson
Byrd, Va.	Jordan, N.C.	Saltonstall
Byrd, W. Va.	Keating	Smathers
Cannon	Kuchel	Smith
Carlson	Lausche	Sparkman
Case	Long, Mo.	Stennis
Church	Long, La.	Symington
Clark	Magnuson	Talmadge
Cooper	Mansfield	Thurmond
Cotton	McClellan	Tower
Curtis	McGee	Walters
Douglas	McGovern	Williams, N.J.
Eastland	McIntyre	Yarborough
Ellender	Miller	Young, N. Dak.
Fulbright	Monroney	Young, Ohio
Gore	Morton	
Gruening	Muskie	

NAYS—10

Dodd	McNamara	Mundt
Dominick	Mechem	Simpson
Harke	Metcalf	
Hickenlooper	Morse	

NOT VOTING—17

Bayh	Fong	Moss
Brewster	Goldwater	Pearson
Dirksen	Hayden	Russell
Edmondson	Jordan, Idaho	Scott
Engle	Kennedy	Williams, Del.
Ervin	McCarthy	

So the conference report was agreed to.

URBAN MASS TRANSPORTATION
ACT OF 1964

Mr. **SPARKMAN**. Mr. President, I ask unanimous consent that there be laid before the Senate the House message on the mass transit bill, S. 6.

The **PRESIDING OFFICER** (Mr. **MCINTYRE** in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 6) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes, which was, to strike out all after the enacting clause and insert:

That this Act may be cited as the "Urban Mass Transportation Act of 1964".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds—

(1) that the predominant part of the Nation's population is located in its rapidly expanding metropolitan and other urban areas, which generally cross the boundary lines of local jurisdictions and often extend into two or more States;

(2) that the welfare and vitality of urban areas, the satisfactory movement of people and goods within such areas, and the effectiveness of housing, urban renewal, highway, and other federally aided programs are being jeopardized by the deterioration or inade-

quate provision of urban transportation facilities and services, the intensification of traffic congestion, and the lack of coordinated transportation and other development planning on a comprehensive and continuing basis; and

(3) that Federal financial assistance for the development of efficient and coordinated mass transportation systems is essential to the solution of these urban problems.

(b) The purposes of this Act are—

(1) to assist in the development of improved mass transportation facilities, equipment, techniques, and methods, with the cooperation of mass transportation companies both public and private;

(2) to encourage the planning and establishment of areawide urban mass transportation systems needed for economical and desirable urban development, with the cooperation of mass transportation companies both public and private; and

(3) to provide assistance to State and local governments and their instrumentalities in financing such systems, to be operated by public or private mass transportation companies as determined by local needs.

FEDERAL FINANCIAL ASSISTANCE

SEC. 3. (a) In accordance with the provisions of this Act, the Administrator is authorized to make grants or loans (directly, through the purchase of securities or equipment trust certificates, or otherwise) to assist States and local public bodies and agencies thereof in financing the acquisition, construction, reconstruction, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service in urban areas and in coordinating such service with highway and other transportation in such areas. Eligible facilities and equipment may include land (but not public highways), buses and other rolling stock, and other real or personal property needed for an efficient and coordinated mass transportation system. No grant or loan shall be provided under this section unless the Administrator determines that the applicant has or will have (1) the legal, financial, and technical capacity to carry out the proposed project, and (2) satisfactory continuing control, through operation or lease or otherwise, over the use of the facilities and equipment. No such funds shall be used for payment of ordinary governmental or nonproject operating expenses.

(b) No loan shall be made under this section for any project for which a grant is made under this section, except grants made for relocation payments in accordance with section 7(b). Loans under this section shall be subject to the restrictions and limitations set forth in paragraphs (1), (2), and (3) of section 202(b) of the Housing Amendments of 1955. The authority provided in section 203 of such Amendments to obtain funds for loans under clause (2) of section 202(a) of such Amendments shall (except for undischarged loan commitments) hereafter be exercised by the Administrator (without regard to the proviso in section 202(d) of such Amendments) solely to obtain funds for loans under this section.

(c) No financial assistance shall be provided under this Act to any State or local public body or agency thereof for the purpose, directly or indirectly, of acquiring any interest in, or purchasing any facilities or other property of, a private mass transportation company, or for the purpose of constructing, improving, or reconstructing any facilities or other property acquired (after the date of the enactment of this Act) from any such company, or for the purpose of providing by contract or otherwise for the operation of mass transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing mass transportation company, unless (1) the Administrator finds that such assistance

is essential to a program, proposed or under active preparation, for a unified or officially coordinated urban transportation system as part of the comprehensively planned development of the urban area, (2) the Administrator finds that such program, to the maximum extent feasible, provides for the participation of private mass transportation companies, (3) just and adequate compensation will be paid to such companies for acquisition of their franchises or property to the extent required by applicable State or local laws, and (4) the Secretary of Labor certifies that such assistance complies with the requirements of section 10(c) of this Act.

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SEC. 4. (a) Except as specified in section 5, no Federal financial assistance shall be provided pursuant to section 3 unless the Administrator determines that the facilities and equipment for which the assistance is sought are needed for carrying out a program, meeting criteria established by him, for a unified or officially coordinated urban transportation system as a part of the comprehensively planned development of the urban area, and are necessary for the sound, economic, and desirable development of such area. Such program shall encourage to the maximum extent feasible the participation of private enterprise. Where facilities and equipment are to be acquired which are already being used in mass transportation service in the urban area, the program must provide that they shall be so improved (through modernization, extension, addition, or otherwise) that they will better serve the transportation needs of the area. The Administrator, on the basis of engineering studies, studies of economic feasibility, and data showing the nature and extent of expected utilization of the facilities and equipment, shall estimate what portion of the cost of a project to be assisted under section 3 cannot be reasonably financed from revenues—which portion shall hereinafter be called "net project cost". The Federal grant for such a project shall not exceed two-thirds of the net project cost. The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds, and no refund or reduction of that portion so provided shall be made at any time unless there is at the same time a refund of a proportional amount of the Federal grant.

(b) To finance grants under this Act there is hereby authorized to be appropriated at any time after its enactment not to exceed \$75,000,000 for fiscal year 1965; \$150,000,000 for fiscal year 1966; and \$150,000,000 for fiscal year 1967. Any amount so appropriated shall remain available until expended; and any amount authorized but not appropriated for any fiscal year may be appropriated for any succeeding fiscal year. The Administrator is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes, as amended, to make advance or progress payments on account of any grant made pursuant to this Act.

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SEC. 5. Prior to July 1, 1967, Federal financial assistance may be provided pursuant to section 3 where (1) the program for the development of a unified or officially coordinated urban transportation system, referred to in section 4(a), is under active preparation although not yet completed, (2) the facilities and equipment for which the assistance is sought can reasonably be expected to be required for such a system, and (3) there is an urgent need for their preservation or provision. The Federal grant for such a project shall not exceed one-half of the net project cost: *Provided*, That where a Federal grant is made on such a one-half basis, and the planning requirements specified in section 4(a) are fully met within a three-year period after the execution of the grant agree-

ment, an additional grant may then be made to the applicant equal to one-sixth of the net project cost. The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds, and no refund or reduction of that portion so provided shall be made at any time unless there is at the same time a refund of a proportional amount of the Federal grant.

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SEC. 6. (a) The Administrator is authorized to undertake research, development, and demonstration projects in all phases of urban mass transportation (including the development, testing, and demonstration of new facilities, equipment, techniques, and methods) which he determines will assist in the reduction of urban transportation needs, the improvement of mass transportation service, or the contribution of such service toward meeting total urban transportation needs at minimum cost. He may undertake such projects independently or by contract (including working agreements with other Federal departments and agencies). In carrying out the provisions of this section, the Administrator is authorized to request and receive such information or data as he deems appropriate from public or private sources.

(b) The Administrator may make available to finance projects under this section not to exceed \$10,000,000 of the mass transportation grant authorization provided in section 4(b), which limit shall be increased to \$20,000,000 on July 1, 1965, and to \$30,000,000 on July 1, 1966. In addition, notwithstanding the provisions of section 4 of this Act or of section 103(b) of the Housing Act of 1949, the unobligated balance of the amount available for mass transportation demonstration grants pursuant to the proviso in such section 103(b) shall be available solely for financing projects under this section.

(c) Nothing contained in this section shall limit any authority of the Administrator under section 602 of the Housing Act of 1956 or any other provision of law.

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SEC. 7. (a) No financial assistance shall be extended to any project under section 3 unless the Administrator determines that an adequate relocation program is being carried on for families displaced by the project and that there are being or will be provided (in the same area or in other areas generally not less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the displaced families) an equal number of decent, safe, and sanitary dwellings available to those displaced families and reasonably accessible to their places of employment.

(b) Notwithstanding any other provision of this Act, financial assistance extended to any project under section 3 may include grants for relocation payments, as herein defined. Such grants may be in addition to other financial assistance for the project under section 3, and no part of the amount of such relocation payment shall be required to be contributed as a local grant. The term "relocation payments" means payments by the applicant to individuals, families, business concerns, and nonprofit organizations for their reasonable and necessary moving expenses and any actual direct losses of property except goodwill or profit, for which reimbursement or compensation is not otherwise made, resulting from their displacement by the project. Such payments shall be made subject to such rules and regulations as may be prescribed by the Administrator, and shall not exceed \$200 in the case of an individual or family, or \$3,000 (or if greater, the total certified actual moving expenses) in the case of a business concern or nonprofit organization. Such rules and regulations may include provisions authorizing payment to in-

dividuals and families of fixed amount (not to exceed \$200 in any case) in lieu of their respective reasonable and necessary moving expenses and actual direct losses of property.

COORDINATION OF FEDERAL ASSISTANCE FOR HIGHWAYS AND FOR MASS TRANSPORTATION FACILITIES

SEC. 8. In order to assure coordination of highway and railway and other mass transportation planning and development programs in urban areas, particularly with respect to the provision of mass transportation facilities in connection with federally assisted highways, the Administrator and the Secretary of Commerce shall consult on general urban transportation policies and program and shall exchange information on proposed projects in urban areas.

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SEC. 9. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this Act, the Administrator shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties set forth in section 402, except subsection (c)(2) and (f), of the Housing Act of 1950. Funds obtained or held by the Administrator in connection with the performance of his functions under this Act shall be available for the administrative expenses of the Administrator in connection with the performance of such functions.

(b) All contracts for construction, reconstruction, or improvement of facilities and equipment in furtherance of the purposes for which a loan or grant is made under this Act, entered into by applicants under other than competitive bidding procedures as defined by the Administrator, shall provide that the Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall, for the purpose of audit and examination, have access to any books, documents, papers, and records of the contracting parties that are pertinent to the operations or activities under such contracts.

(c) All contracts for construction, reconstruction, or improvement of facilities and equipment in furtherance of the purposes for which a loan or grant is made under this Act shall provide that in the performance of the work the contractor shall use only such manufactured articles as have been manufactured in the United States.

(d) As used in this Act—

(1) the term "States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States;

(2) the term "local public bodies" includes municipalities and other political subdivisions of States; public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States; and public corporations, boards, and commissions established under the laws of any State;

(3) the term "Administrator" means the Housing and Home Finance Administrator;

(4) the term "urban area" means any area that includes a municipality or other built-up place which is appropriate, in the judgment of the Administrator, for a public transportation system to serve commuters or others in the locality taking into consideration the local patterns and trends of urban growth; and

(5) the term "mass transportation" means transportation by bus or rail or other conveyance, either publicly or privately owned, serving the general public (but not including school buses or charter or sightseeing service) and moving over prescribed routes.

(e) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the funds necessary to carry out all functions under this Act except loans under section 3. All funds appropriated under this Act for other than

administrative expenses shall remain available until expended.

(f) None of the provisions of this Act shall be construed to authorize the Administrator to regulate in any manner the mode of operation of any mass transportation system with respect to which a grant is made under section 3, or, after such grant is made, to regulate the rates, fares, tolls, rentals, or other charges fixed or prescribed for such system by any local public or private transit agency; but nothing in this subsection shall prevent the Administrator from taking such actions as may be necessary to require compliance by the agency or agencies involved with any undertakings furnished by such agency or agencies in connection with the application for the grant.

LABOR STANDARDS

SEC. 10. (a) The Administrator shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed with the assistance of loans or grants under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended. The Administrator shall not approved any such loan or grant without first obtaining adequate assurance that required labor standards will be maintained upon the construction work.

(b) The Secretary of Labor shall have, with respect to the labor standards specified in subsection (a), the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276c).

(c) It shall be a condition of any assistance under this Act that fair and equitable arrangements are made, as determined by the Secretary of Labor, to protect the interests of employees affected by such assistance. Such protective arrangements shall include, without being limited to, such provisions as may be necessary for (1) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements or otherwise; (2) the continuation of collective bargaining rights; (3) the protection of individual employees against a worsening of their positions with respect to their employment; (4) assurances of employment to employees of acquired mass transportation systems and priority of re-employment of employees terminated or laid off; and (5) paid training or retraining programs. Such arrangements shall include provisions protecting individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to section 5(2)(f) of the Act of February 4, 1887 (24 Stat. 379), as amended. The contract for the granting of any such assistance shall specify the terms and conditions of the protective arrangements.

AIR POLLUTION CONTROL

SEC. 11. In providing financial assistance to any project under section 3, the Administrator shall take into consideration whether the facilities and equipment to be acquired, constructed, reconstructed, or improved will be designed and equipped to prevent and control air pollution in accordance with any criteria established for this purpose by the Secretary of Health, Education, and Welfare.

STATE LIMITATION

SEC. 12. Grants made under section 3 (other than grants for relocation payments in accordance with section 7(b)) for projects in any one State shall not exceed in the ag-

gregate 12½ per centum of the aggregate amount of grant funds authorized to be appropriated pursuant to section 4(b).

Mr. SPARKMAN. Mr. President, I move that the Senate concur in the House amendments.

I do not intend to have precipitate action. I wish to make a statement on the proposal before the question is put.

VISIT TO THE SENATE BY PRESIDENT OF COSTA RICA, FRANCISCO ORLICH

Mr. SPARKMAN. Mr. President, I ask unanimous consent that I may yield to the Senator from Minnesota [Mr. HUMPHREY], provided that in doing so I will not lose my right to the floor.

The PRESIDING OFFICER (Mr. INOUYE in the chair). Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, if I may have the attention of the Senate for a brief moment, we are privileged this afternoon to have in our presence a distinguished public official of a great and friendly country.

I refer to His Excellency Francisco Orlich, President of the Republic of Costa Rica.

I wish to express a warm welcome on behalf of the Senate to President Orlich and his party.

He is accompanied by the Foreign Minister, Daniel Oduber of Costa Rica; by his Ambassador who is well known to all of us in Washington, His Excellency Ambassador Gonzalo Facio; by the dean of the University of Costa Rica, Dean Tristan; and by the Minister of the Presidency, Mario Quiros Sasso.

This afternoon, we had the privilege, for a brief period, of having the President and his group as guests of the Committee on Foreign Relations. I know that Senators will join me in paying a well-deserved tribute, not only to a great leader of a friendly country, but also to the Republic of Costa Rica, which has set such a fine example in maintaining democratic institutions in this hemisphere.

If every country in the world would follow the fine example of dedication to the principles of democracy as exemplified by Costa Rica, this would be a world without war, a world without strife, and a world in which equality of opportunity and true freedom would be more than a promise—in fact, it would be a living reality.

We are particularly privileged to receive President Orlich, who represents a model democracy, and a political tradition which has provided progressive and inspiring leadership for the past two decades in the Caribbean.

President Orlich is a colleague and protege of that great Central American statesman, Jose Figueres who, together with Romulo Betancourt and Luis Muñoz Marín, was a leader in defending political democracy, and social and economic reform, long before the Alliance for Progress was launched by President Kennedy.

President Orlich continues in this great tradition. His government has maintained both freedom and stability

in his country, while moving ahead in the field of economic development. President Orlich has fought the growth of Castroism in the Caribbean and in the hemisphere. Due to his efforts and to those of his Foreign Minister, one of the most talented Latin American political leaders of his generation, Daniel Oduber, and the efforts of the Costa Rican Ambassador to the United States, who has recently served with great distinction as Chairman of the OAS Council, Ambassador Gonzalo Facio, Costa Rica has taken the lead in pressing for hemispheric action to contain the menace of Castro's Cuba.

Costa Rica, under President Orlich, has joined in the Central American integration movement which has progressed so remarkably during the past 3 years, a movement which is aiding in the economic development of the area, a movement which, under the able leadership of men like President Orlich, will eventually bring political stability and free constitutional government to the area.

Under President Orlich, Costa Rica has been a leading exponent of the Alliance for Progress in this hemisphere. The Costa Rican Government has always shown a profound grasp of one central truth of the Alliance that has sometimes proved elusive for others; that social and economic progress must be linked to the preservation of political democracy and institutional government if the Alliance for Progress is to succeed.

As one who has visited Costa Rica and met with leaders of the Government and with representative Costa Ricans, it is a great pleasure for me to welcome to the Senate the distinguished President of the Republic of Costa Rica, Francisco Orlich.

I now yield to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I join the distinguished Senator from Minnesota [Mr. HUMPHREY] in expressing a word of greeting and welcome to the President of Costa Rica, and the group of his fellow countrymen who are with him today.

I fully endorse the words spoken by the Senator from Minnesota as to the fine example of friendly relations, and the good living which has been set by the Government of Costa Rica.

It is a great pleasure to have this distinguished visitor with us. I am very glad to join with the Senator from Minnesota in extending greetings and appreciation to them for coming to see us.

Mr. HUMPHREY. I yield to the Senator from Vermont [Mr. AIKEN].

Mr. AIKEN. Mr. President, on behalf of Senators on this side of the aisle, I join Senators on the other side of the aisle in welcoming the President of Costa Rica and his associates who are our guests in the Chamber this afternoon.

Costa Rica is a country which means a great deal to us. There is a great deal of cooperation between Costa Rica and the United States.

I know that Senators will wish to welcome the President in person. I expect that the acting majority leader will see to it that they will have an opportunity to do so.

Mr. HUMPHREY. Mr. President, I now yield to the Senator from Oregon [Mr. MORSE].

Mr. MORSE. Mr. President, as Chairman of the Subcommittee on Latin American Affairs, I have already apologized to President Orlich because I was not able to be at the reception which the Committee on Foreign Relations gave in his well-deserved honor this afternoon in the Foreign Relations Committee room. It was necessary for me to be at a meeting of the subcommittee on the poverty bill, in order to assure that there was a quorum ever present so that we could report that bill from the full committee this afternoon—which we did.

Let me say to the President of Costa Rica that I had the great privilege of attending in his country the conference of the Presidents of the Caribbean, when the late beloved President Kennedy also went down to Costa Rica and participated in that historic conference. I wish the President of Costa Rica to know—and I am sure the other two Senators who were with me, the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Iowa [Mr. HICKENLOOPER] share my opinion—that that conference would not have been the great historic success it was, had it not been for the able participation, the brilliant leadership, and the inspiring statesmanship of President Orlich. The Western Hemisphere is greatly indebted to him for his record of giving support to the democratic ideals which our two Republics join in supporting.

There are many wonderful things about Costa Rica, but I believe that one of the great examples which Costa Rica sets is its belief that a great military establishment is not needed in order to preserve democratic processes in Costa Rica. It is a country without a professional army.

I have always looked to Costa Rica as a great example in support of a sound ideal, that when mankind learns to lay down its weapons and resort to the policy of substituting the plowshare for the sword, and the pruning hook for the spear, we shall have a better opportunity of strengthening peace in the world.

Costa Rica is one of the great leaders of the movement toward peace in the Western Hemisphere.

I am proud to rise on the floor of the Senate and thank the President of Costa Rica for his wonderful hospitality which he extended to President Kennedy and the rest of the American delegation, but more important, for his great statesmanship in the Western Hemisphere in seeking to carry out the sound ideals President Kennedy enunciated in his historic Alliance for Progress program.

Mr. HUMPHREY. I now yield to the distinguished Senator from Iowa [Mr. HICKENLOOPER].

Mr. HICKENLOOPER. I thank the Senator from Minnesota for this opportunity to express to His Excellency, President Orlich of Costa Rica, to the Ambassador, and to the other distinguished members of the Costa Rican delegation, our warm welcome.

Let me say to the President of Costa Rica that the Republicans in this body are slightly less than half the number of Democrats in this body. We try to make up for that to you, sir, by being twice as warm in our welcome.

Seriously, I am sure that on both sides of the aisle the welcome is equally warm.

I have had the privilege of knowing His Excellency, and the other members of the Costa Rican delegation who are here, for a long time.

It was a great privilege and a great inspiration to attend the wonderful meeting in Costa Rica, which has been mentioned by the Senator from Minnesota and the Senator from Oregon. All of us admire the principles, the ideals, and the objectives of the people of Costa Rica. The way they have handled their social and economic problems inspires all of us. We believe that Costa Rica is the focal point for rallying the whole Central American area to advance the ideals of education, of health, and of expanding human freedom and liberty.

We welcome the Costa Rican delegation with all the warmth that we can muster.

I thank the acting majority leader for this opportunity to make this statement on behalf of myself and my colleagues.

Mr. HUMPHREY. Mr. President, I yield to the Senator from Arkansas [Mr. FULBRIGHT].

Mr. FULBRIGHT. Mr. President, I wish to associate myself with the remarks which have just been made. We have had the privilege of welcoming the President to our committee and were engaging in a discussion of our various interests.

The President has made an outstanding record as the leader of his country. Costa Rica is an example for all other countries in the Western Hemisphere to follow as to the efficiency of its democratic system. It is a hopeful sign to have such a country in Central America which can show to other countries an efficient, intelligent, and liberal approach to self-government—of which they have done an excellent job. I congratulate them and welcome them.

Mr. HUMPHREY. Mr. President, I yield to the Senator from Texas.

Mr. YARBOROUGH. I thank the distinguished Senator from Minnesota for yielding to me.

I call attention to the fact that accompanying the President of Costa Rica and his official party, as one of the representatives of our Government, is the American Ambassador to Costa Rica, the former mayor of El Paso, Tex., a statesman who has made an outstanding record as an Ambassador—Raymond Telles.

I express our thanks to the people of Costa Rica for the wonderful hospitality that they extended the late President John F. Kennedy last year when he visited Costa Rica, where the Presidents of seven American Republics met in San Jose, the capital of that Republic. They met in harmony and friendship, and their meeting resulted in progress for all of the Americas.

I thank the President of Costa Rica and his colleagues on behalf of the Sen-

ate, in which John F. Kennedy served, for the great hospitality which we understand was one of the greatest welcomes he received in the world.

Mr. HUMPHREY. Mr. President, before the Senate takes a brief recess so that we may meet the President of Costa Rica and his colleagues, I ask my colleagues to join with me in a good old-fashioned American welcome.

[The visitors rose and were greeted with applause, Senators rising.]

The PRESIDING OFFICER. The Senate is very happy to welcome you here today.

RECESS TO 5:16 P.M.

Mr. HUMPHREY. Mr. President, I move that the Senate stand in recess, subject to the call of the Chair, so that Senators may meet the President of Costa Rica and his colleagues.

The motion was agreed to; and (at 5:11 o'clock p.m., the Senate took a recess until 5:16 o'clock p.m., the same day).

On the expiration of the recess, the Senate reassembled, when called to order by the Presiding Officer (Mr. INOUË in the chair).

URBAN MASS TRANSPORTATION ACT OF 1964

The Senate resumed the consideration of the bill (S. 6) to authorize the Housing and Home Finance Administration to provide additional assistance for the development of comprehensive and coordinate mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 1 hour on amendments, to be equally divided between the majority and minority leaders, and a time limitation of 1 hour on the bill, with the same division.

The PRESIDING OFFICER. The question is on agreeing to the request of the Senator from Montana.

Without objection, it is so ordered.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. I want to make it clear that I expect the unanimous-consent agreement to contain the understanding that a substitute, preferential motion which I will make to substitute the amendment for the House amendment will be in order, and also, Mr. President, that I will control the time on my amendment.

Mr. MANSFIELD. The Senator will control the time. So far as I know, such a motion would be in order.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield to me?

Mr. JAVITS. Will the Senator permit me to ask for the yeas and nays?

The yeas and nays were ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent, apart from the time limitation entered into, that the Senate proceed to consider executive business, to consider the nomination on the calendar, reported today from the Committee on the Judiciary, which nomination I understand has been cleared by both Senators from Texas, as well as the committee.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. Without objection, the clerk will report the nomination.

The LEGISLATIVE CLERK. Dorwin W. Suttle, of Texas, to be U.S. district judge for the western district of Texas.

The PRESIDING OFFICER. Without objection, the nomination is confirmed. Mr. YARBOROUGH. Mr. President, I am pleased by the wise action of the U.S. Senate in confirming the appointment of Dorwin W. Suttle, a distinguished and honorable Texas trial attorney whom I have known well for 38 years, as U.S. judge of the western district of Texas.

Dorwin W. Suttle, born July 16, 1906, in Decker, Ind., is the son of William S. Suttle and Cordella Hungate Suttle, of New Braunfels, Tex.

A graduate of New Braunfels High School and of the subcollege of the Southwest at Texas State Teachers College in San Marcos in 1923, Dorwin W. Suttle received his law degree from the University of Texas, where we attended many classes together, in Austin in June 1928. He began the practice of law that year in Uvalde, home of the former Vice President John Nance Garner. Dorwin Suttle served as State administrator of Vice President Garner's Texas office and was the Vice President's personal attorney more than 30 years.

A brilliant trial lawyer, he has served as city attorney of Uvalde, county attorney and special judge in Uvalde County court, director of the Uvalde Chamber of Commerce, school trustee and member of the border district, Texas, and American Bar Associations. In addition he has served as a member of the grievance committee of the Texas Bar Association.

In other civic activities, he has been president of the Uvalde Lions Club, Uvalde County bar and border district bar associations, director of the University of Texas Ex-Students Association, commander of the American Legion Post No. 26, Uvalde, and is active in St. Philip's Episcopal Church of Uvalde.

The man the Senate has confirmed for nomination as Federal judge is of judicial temperament and will serve fairly and with honor and I am confident will reflect great credit upon the decision of the U.S. Senate and on Texas and the Nation.

Mr. Suttle is married to the former Lucille Cram Whitecotton. Mr. and Mrs. Suttle have four children. They are: Steve Suttle, who attends the University of Texas School of Law at Austin; Joanna Suttle, who attends the School of Law at St. Mary's University; Fred

Whitecotton, who attends Southwestern University at Georgetown, Tex.; and Frank Whitecotton, who attends public school in Uvalde.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

URBAN MASS TRANSPORTATION ACT OF 1964

The Senate resumed the consideration of the bill (S. 6) to authorize the Housing and Home Finance Administration to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes.

Mr. MANSFIELD. Mr. President, I move that the time under the time limitation begin to run.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. MANSFIELD. For a question. Mr. TOWER. While the distinguished majority leader is on the floor, may I ask what other business will be taken up after action on the mass transit bill is completed?

Mr. MANSFIELD. No further business. But it is our intention to lay before the Senate the pay bill and make that the pending business for tomorrow.

Mr. TOWER. Mr. President, I ask for the yeas and nays on the final passage of the mass transit bill.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, I ask that my preferential motion be stated for the information of the Senate.

The PRESIDING OFFICER. The motion will be stated.

The legislative clerk read as follows:

MOTION BY MR. JAVITS

I move that the Senate concur in the amendment of the House to the bill (S. 6) to authorize the Housing and Home Finance Administration to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private in metropolitan and other urban areas, and for other purposes, with the following amendment:

Strike out section 9(c) of the House amendment and insert in lieu thereof the following:

"(c) The use of funds made available for the purposes of this Act shall be subject to the provisions of section 2 of title 3 of the Act of March 3, 1933 (47 Stat. 1520; 41 U.S.C. 10a), the so-called Buy-American Act, and to make such provisions effective, every con-

tract or agreement of any kind pursuant to this Act, shall contain a provision identical to the one prescribed in section 3 of title 3 of such Act."

Mr. JAVITS. Mr. President, I yield myself 15 minutes, or so much thereof as I shall use.

I emphasize that I favor the mass transit bill. But I rise in opposition to a provision of the bill, section 9(c), which is probably the most restrictive that I have been able to find with respect not only to buying everything which may be bought under the bill in the United States, but all components thereof which must also be manufactured in the United States. That is a provision which was inserted by amendment in the bill on the floor of the other body.

The requirement that contractors shall use "only such manufactured articles as have been manufactured in the United States" in fulfillment of contracts under the act will, in my view, cause no end of mischief to the United States—in our pocketbooks where it hurts the most.

I make that statement because experience has shown that nothing is more resented than efforts to tie procurement to sources within the United States to the exclusion of sources abroad, especially where there is no flexibility whatever of any kind or character in percentages or any other way out, and where it deals, as it does in the bill, with procurement which is obviously experimental in character and relates to the basic interest of the United States to do its utmost to get the improvements, for example, in transportation which are available anywhere in the world, and to bring into force upon American manufacturers the competition of foreign ingenuity, foreign ideas, and foreign costs.

It seems to me that we should take a page out of history and, for example, look at the year 1959 when, in the face of a similar effort to very sharply restrict procurement without much rhyme or reason to it, the subject became a hotly debated one between the United States and Britain, and it was at a Camp David conference, participated in by President Eisenhower and Prime Minister Macmillan, that the subject finally had to be settled.

Our negotiators in Geneva are trying to negotiate reciprocal tariff concessions and the mutual reduction of nontariff barriers. Here we are legislating with our left hand—to the exclusion completely of what our right hand is doing—an insurmountable, nontariff barrier to trade in a key and important area.

I said that this was the most broad-scale exclusion of any type of foreign procurement of which I know. I have tried to research the precedents on that score. What the bill provides is that not only the facility or the equipment which is bought be made in the United States, but every component of it should be made in the United States. Under the Buy American Act—and my amendment asks for the imposition of Buy American Act criteria—materials are considered of foreign origin, if the cost of the foreign products used in such

materials constitutes 50 percent or more of the cost of all the products used in such materials.

In other words, if goods bought in the United States contain more than 50 percent of domestic components, the goods qualify as domestic articles. That, as one can see immediately, is not nearly the restriction which is sought to be imposed by the amendment over in the other body.

Second. The Buy American Act permits the Executive to set the percentage by which American prices may exceed foreign prices. Normally, that is 6 percent or 12 percent, where one is dealing either with small business or the goods are bought in an area which is a surplus labor area. There is nothing to stop any Government department, including the Department of Housing and Home Finance, which would be administering the law, from setting a higher percentage. Indeed, the Department of Defense has set 50 percent. There may be some percentage set between 6 percent and 50 percent in this case, but that is still better than an absolute prohibition such as is contained in the amendment.

To show how tight the prohibition is, I should like to refer to the interpretation which was given by the author of the amendment in the other body. I refer to page 14975 of the CONGRESSIONAL RECORD of June 25, 1964. The amendment was proposed by Mr. SAYLOR. The manager of the bill for the majority on the floor explained that he understood the amendment to mean the following:

Mr. RAINS. As I understand the gentleman's amendment, it would require not only that any manufactured product, such as say a locomotive, be manufactured in the United States, but that substantially all its manufactured component parts likewise be produced in the United States.

The tightest restriction of that kind that I have been able to find is the so-called Berry amendment, which has been inserted in the appropriation bills for the Department of Defense since 1954. That amendment requires the service departments to procure food, various clothing, and cloth supplies entirely from domestic sources. That is a pretty tight provision. But even that one allows exemptions as to nonavailability, emergency conditions, and perishability of food needed abroad. No such exemptions are contained in the very tight, absolutely impenetrable provision which is contained in the bill.

I predict that if we pass the bill as it is, we shall run into a thicket of disputes and arguments with some of our firmest allies. To those who might snicker at the idea of getting into arguments with our allies, I say they are the countries with which we do the most business. It seems to me that the major argument against the provision in the House bill and for the adoption of the amendment which I have proposed is based upon the juxtaposition between the interests that we have in our foreign trade and the interest that we would have in the enforcement of this particular provision. In the export-import trade we have an

interest of something in the area of \$39 billion a year—in round figures, about \$22 billion a year—in exports and about \$17 billion a year in imports.

All of the difficulties which we could compound by taking this position—flying in the face of everything else we preach to the world—could bedevil enormous sections of our export trade. We have infinitely more at stake in that than we have in all the things which are covered by Buy American laws, of which the present proposal is the tightest. They involve—and I used as my authority a study by the Bureau of the Budget on the foreign procurement of the U.S. Government dated 1963—something in the area of \$25 to \$30 million a year.

In addition, inevitably if we are going to have a tight position like that, it will tax our budget. We shall pay more money for everything that we buy, not only because we shall be prevented from buying it abroad, but also because we shall not even have an opportunity for foreign competition, thereby having some ameliorating effect upon the American manufacturer.

It seems to me that it is high time that some of us, at least, took a mature view of the situation. It is so superficially attractive to say, "We have a new program like the mass transit program. We must buy in the United States everything which comes under that program."

Mr. President, such an attitude defies almost every other thing which we are doing in foreign and domestic policy. It defies everything we are seeking to accomplish in international trade, as I just pointed out. It defies everything that we are seeking to accomplish in budget reduction, as I have just pointed out. It defies everything we are seeking to accomplish in benefiting the American consumer by bringing to bear in his favor foreign competition. It defies the fact that we are an open and not a closed world, and we are looking for ingenuity and inventiveness wherever it may be. If it is at home, it is great; if it is abroad it is not. It defies the proposition that almost invariably there is some component in an article of domestic manufacture which almost literally must come from abroad. Someone will have to wink at the law even if we pass it, because it is almost physically impossible to get a complete item manufactured with every component being manufactured domestically.

Indeed, some of the rare metals we need to produce—certain alloys—cannot be obtained in the United States.

The interesting thing is that under the Buy American Act itself, in all areas of procurement to which even the Buy American Act applies, the Budget Bureau study to which I have referred found 68 percent in fiscal year 1960, 58 percent in fiscal year 1961, and 53 percent in fiscal year 1962 of total procurement represented items which cannot be obtained in the United States at all.

Let us remember that it was not a committee amendment that was considered in the other body. It occurred on the floor. We can understand the super-

ficial attractiveness of it to a State dealing with unemployment, and so forth. We have such problems in my own State. Let us take the State of Pennsylvania, where the author of this amendment comes from. He made a moving plea—and I deeply understand it—for his State and the fact that workers in his State need to be employed, and that there are pockets of economic difficulty, which is true. But even in his own State, the Saylor amendment could place hundreds of Pennsylvania manufacturers and their employees and their exports to foreign countries in jeopardy. This possibility would show the advisability of a provision such as I propose.

The difference is that Pennsylvania does not have to consider the question of export-import trade. The U.S. Government is supposed to take care of it. But the United States is not taking care of it in this bill. Let us remember that this bill provides two-thirds Federal aid. It seems to me the height of folly for us to defy our domestic and foreign policy by accepting a provision of this character.

I would not lightly seek to change a situation in which my own community of New York has a burning interest. We are deeply interested in mass transportation. I am strongly for the bill, but the economy of my State, as is true of many other States, is heavily dependent on an open world in which a maximum amount of international trade is engaged in.

In deep conscience, I would have felt it to be in derogation of my duty not to have pleaded for my proposal and to have raised this question, which I feel is so serious and portentous for the future of trade so far as the United States is concerned, especially in view of the exclusive, protectionist nature of the provision, if it is put on the statute books.

I appeal to all friends of international trade; I appeal to all friends of budget balance; I appeal to all friends of the consumer; I appeal to all friends of this program not to allow them to be debased by so narrow a provision which is in violation of the policy we have preached to all mankind. It is especially anomalous that this provision which is a complete reversal of everything we believe in and have preached in the world, should turn up in this most forward-looking bill. So I believe we would be doing ourselves a great disservice if we enacted the provision.

An effort is being made to avoid a conference. There have been other bills in which this situation has occurred. For example, I have in mind a particular amendment which the Senator from Pennsylvania [Mr. SCOTT] proposed to the river basin authorization bill which was pending before the Senate last December, and which was also very restrictive.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. I yield myself 5 additional minutes.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. JAVITS. I yield.

Mr. LAUSCHE. Does the Senator from New York have any substitute lan-

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guage in his proposal that will be placed in the bill when the buy American provision is taken out?

Mr. JAVITS. I do have a buy American provision.

Mr. LAUSCHE. May I hear it?

Mr. JAVITS. I apply to this bill the Buy American Act, which gives the executive department complete discretion to fix any percentage it wishes.

Mr. LAUSCHE. That is the 6 percent provision?

Mr. JAVITS. Six and twelve, or it can fix a higher one. The Defense Department fixes 50 percent. I am not quarreling that we not give preference to the people of the United States. I am for it. I am arguing against the absolute protectionist device to bar any kind of procurement from any place outside the United States, including components. This device flies in the face of what we, ourselves, have preached and will be used against us so heavily that we should not begin to think it is worth putting in the bill. That is why I offer my proposal.

It is said that if the bill goes back to the other body with an amendment differing from the Senate's acceptance of its amendment, the other body will not take it. In the first place, this is no reason for committing an injustice to our own policy, both foreign and domestic. Secondly, again let us keep our eyes on the ball.

The pending bill is what the Members of the other body voted for. I do not believe it is logical to suppose that this fact overshadows completely what the Senate should do. It is a niggling, unwise, and very injudicious provision, but I doubt that this will be the basis on which the House will reject the whole bill which, with respect to a totally different subject, especially as my amendment relates to it, does not seek to do anything but actually apply the buy American concept. All I am doing is seeking to remove an absolute bar to the application of a policy which, after much consideration, we have adopted, and which has been in effect for three decades.

I ask the Senate to adopt a substitute motion which would incorporate in the bill, in lieu of the bar against any procurement from abroad whatever, the provisions of the Buy American Act, the considered American policy on this particular subject.

I reserve the remainder of my time.

Mr. MORSE. Mr. President, will the Senator from Alabama yield me 10 minutes?

Mr. SPARKMAN. I yield 10 minutes to the Senator from Oregon.

Mr. MORSE. I may not use all of it.

Mr. President, I am satisfied that the House amendment provides the basis for reorganizing our mass transportation systems to conform to the demands and requirements of our rapidly changing economy. There are few areas today which are as badly in need of overhaul and revitalization as are these troubled transport systems. The symptoms of the wide range of ailments which plague it have been expressed in numberless ways, too well known to most of us. The pas-

sengers complain. The shippers protest. The plight of the operating employees has occupied countless hours of the railway labor organizations, the railroads, the administration, to say nothing of the Members of Congress. Memories of the work rules disputes are still fresh and many of the problems which were raised at that time persist. Pressures for mergers and consolidations add to the general clamor. And, of course, compounding these deep-seated troubles in our mass transportation systems are the hopeless traffic tangles and highway congestion suffered by the suburban commuter in many of our major cities.

This legislation represents a major and long overdue step in the direction of bringing order out of this chaos from which the industry suffers.

It carries with it the hope and the promise of reorganizing these systems on a rational and comprehensive basis which is so desperately needed for the maintenance of our values of urban life.

Enactment of this bill, of course, marks only a beginning, but a most important beginning, in the drive to reform our transportation systems in a 20th century mold.

The course of this legislation has been long and painful. But persistent and courageous leadership in both bodies of Congress has produced results which, in my view, are, by and large, satisfactory. In my judgment, we have before us a good bill which should supply the means and the incentive for the development of realistic solutions to these most pressing urban problems.

I have examined in careful detail the provisions of the House amendment which condition the grant of any assistance under the act upon adherence to fair and equitable arrangements to maintain the interests and rights of employees affected by the reorganization and redevelopment of mass transportation systems under the bill.

These are the job protection provisions to which the Senate gave such particular care and attention during its consideration of S. 6 in April of last year.

Those of us who were immediately involved in the development of these standards at that time will remember that our task appeared to be one of the more difficult involved in the handling of this legislation. The proposal to regenerate the mass transit system brought into sharp focus the impact of innovation and change upon the railroad work force.

Indeed, this is a problem which has been particularly acute in railroading.

President Kennedy, in his message on railroad labor disputes on July 22, 1963, placed heavy emphasis upon this point as one of the central issues involved in that controversy.

To illustrate this, I might point out that three decades ago the average number of railroad employees in the service of class I railways exceeded 1,500,000 persons. This figure has been steadily dropping each year since that time and has now dipped below the 700,000 mark. In the period 1939 through 1961 employment on class I railroads dropped 74

percent, more than in any other industry with the exception of mining.

In the same period, productivity, judged on the basis of revenue ton-miles per employee, rose to approximately 220 percent.

As dramatic as these changes have been, we realize only too well that the transportation system has failed to keep pace with the rapid changes occurring throughout the economy. If this gap is to be closed as the bill proposes, it is no less essential to develop corresponding programs to absorb and cushion the impact of the changes which the bill contemplates upon the structure of railroad employment and upon the railroad work force.

When the bill was before the Senate early last year, it was my privilege to propose an amendment to the reported bill which developed specific procedures and standards to achieve this purpose.

The job protection provisions of the bill, as thus amended, made it clear that first, the rights of beneficiaries of transportation employees will be preserved along with the rights of the employees under existing collective bargaining agreements in effect in any mass transportation system which is involved in any project assisted under the bill; second, that collective bargaining in any situation where it now exists will be continued; third, that in the event of any layoff or downgrading in consequence of the development of any project under the bill, employees will receive basic job protection benefits at least equivalent to those which have prevailed in the transportation industries subject to Federal regulation; fourth, that continuation of employment of employees of any mass transportation system which has been transferred in consequence of any project assisted under the bill will be assured; and fifth, that employees displaced or threatened with displacement will receive paid training or retraining in suitable and related occupations.

The Senate approved the Morse amendment by a substantial margin and I am happy to say that the House amendment to the Senate bill has retained these job protection provisions intact.

The differences between the House amendment and the Senate bill in this respect are, for the most part, technical and grammatical. The substance of the provisions remains untouched.

The single exception to this statement is the provision in the House bill providing that the determinations as to fair and equitable arrangements and the certification of compliance with the requirements of these conditions shall be made by the Secretary of Labor alone. Since these determinations involve matters which are clearly within the jurisdiction and the special competence of the Secretary of Labor, I regard this change as an improvement. I ask unanimous consent to include in my remarks at this point an analysis comparing the job protection provisions of the Senate bill with those of the House amendment.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

COMPARATIVE ANALYSIS OF THE LABOR STANDARDS PROVISIONS CONTAINED IN SECTION 10(c) OF THE HOUSE AMENDMENT TO S. 6, WITH THE MORSE AMENDMENT, AS ADOPTED BY THE SENATE (SEC. 19(c)) OF S. 6, AS IT PASSED THE SENATE

I. *Cordon analysis, showing changes in 19(c) (the Morse amendment) of the Senate-passed bill made by the House amendment (the language omitted by the House amendment is enclosed in black brackets, the language added by the House is italic)*

LABOR STANDARDS

SEC. 19. * * *

(c) It shall be a condition [of the granting] of any assistance [or the financing of any project] under this Act that fair and equitable arrangements are made, as determined [jointly] by [the Administrator and] the Secretary of Labor, to protect the interests of employees affected by such assistance [or financing]. Such protective arrangements shall include, without being limited to, such provisions as may be necessary for (1) the preservation of rights, privileges, and benefits (including [the] continuation of pension rights and benefits [of all beneficiaries] under existing collective bargaining agreements or otherwise; (2) the continuation of collective bargaining rights [in any situation where it now exists]; (3) the protection of individual employees against a worsening of their positions with respect to their employment [which shall in no event provide benefits less than those established pursuant to the provisions of section 5(2) (f) of the Interstate Commerce Act]; (4) assurances of employment to employees of acquired mass transportation systems [by the acquiring or operating entities], and priority of [employment or] reemployment of employees terminated or laid off; and (5) paid training or retraining programs. Such arrangements shall include provisions protecting individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to [the provisions of] section 5(2) (f) of the [Interstate Commerce] Act of February 4, 1887 (24 Stat. 379), as amended. The contract for the granting of any such assistance shall specify the terms and conditions of [such] the protective arrangements.¹

II. Analysis of House amendment

A. The differences between the House amendment and the Senate bill consist, for the most part, of technical and grammatical changes which do not change the substance of the job protection provisions contained in section 19(c) of the Senate bill. The single exception to this statement appears in the following provisions assigning responsibility for the administration of the labor protection conditions.

(1) Section 19(c) provides that determinations as to fair and equitable arrangements should be made jointly by the House and Home Finance Administrator and the Secretary of Labor.

(2) Section 10(c) of the House bill provides that these determinations be made by the Secretary of Labor alone.

B. The remaining differences in language are in the nature either of conforming changes or clarifying or perfecting changes.

¹ It should be noted that the House amendment has divided subpar. (3) of this section into two parts, splitting off the sec. 5(2) (f) condition and restating it as a new sentence. For this reason, the Cordon comparison contains a corresponding adjustment, showing the sec. 5(2) (f) provision as a separate sentence.

(1) The Senate bill referred to both assistance and financing of projects whereas the House version refers only to assistance. Financing was included in the Senate version as a form of assistance explicitly covered by the section in order to insure that the job protection conditions would apply to guaranties as well as to grants, both of which were authorized by the bill. The House amendment eliminates the Senate provision authorizing guaranties and for that reason dropped the corresponding reference to "financing" in the section under consideration. There is no doubt that the House amendment covers all forms of assistance which may be provided under the act.

(2) Subparagraph (1) of the Senate version guarantees "the continuation of pension rights and benefits of all beneficiaries." The House version deletes the phrase "of all beneficiaries." The language modification is technical and does not change the meaning or the scope of the condition. Under both House and Senate versions, all pension rights and all benefits under existing collective bargaining agreements or under any other employment agreement or condition are guaranteed. The words "pension rights and benefits" in the House bill are not qualified and include the rights of employees under the described pension arrangements and the rights of their beneficiaries derived therefrom. The House eliminated the phrase "of all beneficiaries" because it was considered surplusage.

(3) Subparagraph (4) of the Senate version provides for "assurances of employment to employees of the acquired mass transportation systems by the acquiring or operating entities." The corresponding subparagraph in the House version drops the phrase "by the acquiring or operating entities" but otherwise retains the identical language of S. 6. Here again, the House deleted the designated phrase as surplusage. Under the House amendment, the "assurances of employment" required to be given to all employees of "acquired mass transportation systems," are precisely the same as under the Senate bill.

(4) The other modifications are all of the same nature as the foregoing.

III. Comment

Thus, it may be concluded that the only House modification of any significance is that dealing with the procedure for making the determination of what fair and equitable arrangements should be made. The subject matter of this provision is clearly within the special competence of the Secretary of Labor who has general responsibility in the administration of matters of this kind.

Mr. MORSE. Mr. President, of paramount significance is the fact that these job protection provisions represent another major step in the development of a realistic legislative policy dealing with grave problems of technological displacement in railroading as well as in other industries. Forming the cornerstone of this policy are, of course, the provisions of the Washington agreement of 1936 which for almost three decades have been successfully applied to problems of this kind in the transportation field. They have provided the basis for scheduling layoffs and position downgrading in federally regulated railroading throughout this time. They have been incorporated into the Interstate Commerce Act and have been generally accepted in collective bargaining in this industry and in the actions of the various Presidential emergency boards under the Railroad Labor Act.

Of at least equal importance is the requirement that the rights, privileges, and

benefits of employees under existing collective bargaining agreements must be respected and maintained as a condition to the grant of any assistance under the act. Pension rights and benefits of employees as well as of the beneficiaries of employees under collective bargaining contracts must also be maintained. Stability of the employment relationship and maintenance of valuable benefits earned during a long course of employment are in this manner protected against impairment from a reorganization financed under the act. Assurances of continuous employment by successor companies or priority of reemployment in cases of termination or layoffs represent sound labor relations policies incorporated into collective-bargaining contracts and forming a logical part of the job protection system developed by this section. Finally, the obligation to train and retrain with pay those employees whose jobs have been jeopardized by programs developed under the bill reflects a sound policy expressed in the Manpower Development and Training Act, the Area Redevelopment Act, and in a wide range of collective bargaining contracts.

These provisions provide assurances that changes of the kind which are projected by this bill will not be carried out at the expense of a stable and dedicated work force which has served the public interest for so long a period of time.

The bill has established a well-balanced and broad program to absorb the impact of these changes which are about to take place under the impetus of this bill.

I regard this as an important contribution to the development of measures to solve the manpower problems which have confronted the transportation system for so many years.

Mr. President, I urge approval of the bill because I agree with the chairman of the committee and others, who have so masterfully handled the bill, that unless we accept the bill in its present form, the probabilities are that we will have no bill at all. If later, in the next session of Congress, some improvements are needed, we can offer them at that time.

Mr. SPARKMAN. Mr. President, how much time has been used?

The PRESIDING OFFICER. The Senator from Oregon used 4 minutes.

Mr. SPARKMAN. I yield 3 minutes to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, I listened with a great deal of interest to the very able speech of the Senator from New York in support of his amendment dealing with the "buy American" provisions of the pending bill.

No one can logically answer successfully the arguments which the Senator from New York has made. It is very clear indeed to me that he is absolutely right; that the other body has put into the mass transit bill a protectionist provision which has no business there and which, in effect, as is so often the case, as we come to the end of a session, confronts us with a take-it-or-leave-it proposal, in view of the enormous difficulty of surmounting a parliamentary procedure necessary to have a successful conference with the House and come out

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on the winning side with the amendment of the Senator from New York as a part of the bill. I do not believe, as a practical matter, that the House would be willing to accept a conference report which incorporated the amendment of the Senator from New York.

As we all know, 40 Republican votes were required to pass the bill in the House. It required more than a year to corral them. The Republican leadership in the House was and is disenchanted with the 40. I have no doubt that several of the 40 were impelled to vote upon the bill by reason of the quite unsound provision which the Senator from New York now attacks.

Those of us who agree in principle with the Senator from New York are confronted with the very difficult choice of having no bill or accepting the House bill as it comes to us. I do not like the bill a bit, and I would like to vote for the amendment of the Senator from New York.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CLARK. May I have 1 minute more?

Mr. SPARKMAN. I yield 1 additional minute.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 1 additional minute.

Mr. CLARK. The exigencies and the practicalities of political life are such, and the needs of the Commonwealth of Pennsylvania for this legislation are so very great, and have such high priority, that I personally shall knuckle under the House position and vote for the House bill, which I dislike to do, because I feel so strongly that this legislation must go through and that we must start the great metropolitan areas toward achieving mass transit, which they so badly need. Therefore, as a matter of political judgment I am of the view that if we do not defeat the Senator's amendment, we shall not have any bill.

Mr. SPARKMAN. I yield 3 minutes to the Senator from New Jersey.

Mr. WILLIAMS of New Jersey. Mr. President, the language that was added in the House appears on its face to be radically contrary to our national policy of trade expansion and would, in fact, be a contraction of our international trade. That is the appearance of the language that has been added. But that is not the fact. The fact is that there is now no importation of manufactured vehicles or equipment in the urban transit areas.

I should like to read at this point a telegram which was received today by the U.S. Conference of Mayors. It reads as follows:

BROOKLYN, N.Y., June 30, 1964.

LAWRENCE HENDERSON,
U.S. Conference of Mayors,
Washington, D.C.:

As this authority understands the purport of the amendment in the House version of the mass transit bill requiring the purchase of materials of domestic manufacture only we are of the opinion that it would have no practical effect on the operations of this authority as for many years more than 99 percent plus of the authority's equipment,

materials, and supplies are manufactured in the United States and purchased by it here.

NEW YORK CITY TRANSIT AUTHORITY,
JOSEPH E. O'GRADY, Chairman.

I have talked personally with major users in the transit fields, and I can find no appreciable importation now. Therefore, this language would have no effect on international trade.

I admit that it might temporarily create some adverse international thinking or psychology. I believe that would be temporary.

For the reasons stated by the Senator from Pennsylvania, I believe we cannot run the risk of what would happen if the amendment of the Senator from New York were accepted.

Getting the bill to where it is now has been about as hard a job as running a commuter railroad without a transfusion of money from the public sector.

We are about to give urban transit that transfusion. If we do not do it with this bill, we shall continue to see a withering away of the services we have and the loss of hope of better services.

Mr. SPARKMAN. Mr. President, I yield myself 5 minutes.

I have a great deal of sympathy with the views expressed by the Senator from New York. I regretted that the House took this action, and used such restrictive language. However, there is a great deal in what the Senator from New Jersey has said, about the tortuous route the bill has had to take through the Congress.

More than a year ago we passed this bill in the Senate, after having passed several bills in previous years, and having had to accept a sort of an experimental program waiting on the House to take some action. It has been a most difficult task.

I am told by some of the best authorities that there is no noticeable amount of foreign material used in the construction of transportation systems at the present time, and that probably there will not be for a long time to come, if ever.

Furthermore, there may be some ambiguities here. There was a discussion on the floor of the House. I realize that what was said was a little ambiguous; it was used at one time, and then was to some extent rebutted—as to what was intended by this proposal.

I should like to read from a memorandum that was prepared by one who is, I believe, an authority. I read:

The House amendment simply requires that if a product needed for a project is produced in the United States, the American product must be bought without regard to the price advantage that might accrue by using a foreign-made product. However, if a needed product is not available in the United States, this amendment would not preclude the purchase of a foreign product.

If the purpose of the amendment is kept in mind, it is clear that the use of foreign materials or manufactured articles as components of American products is also not prohibited. Clearly, if the components of the American products are not available in the United States, it is permissible, within the intent of this provision, to use a foreign component.

In addition, it may not be possible, in an intricate piece of machinery having many,

many component parts, to practicably assure that every screw, every nut, every bolt, every can of oil, every coat of paint, is an American product.

This provision does not require the impossible. One cannot practicably determine that in the manufacture of intricate, sophisticated machinery, some foreign articles have not been included, or used to construct the completed product.

The House amendment simply requires that to the extent substantial components of the completed product can reasonably be identified and procured from American manufacturers, this must be done.

Even though I would not have supported the amendment or would not have proposed the amendment in the House myself, I do not believe it will do any harm to the bill at this time. I believe there will be plenty of time in which we may consider the matter more carefully, and in future legislation take care of the situation, if it requires taking care of.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MANSFIELD. I am in accord with the general principles that have been advocated by the distinguished Senator from Alabama [Mr. SPARKMAN], who is the floor manager of the bill, and also by the distinguished Senator from New Jersey [Mr. WILLIAMS], the distinguished Senator from Pennsylvania [Mr. CLARK], and the distinguished Senator from Oregon [Mr. MORSE]. I am not at all unsympathetic to the amendment or the motion of the Senator from New York [Mr. JAVITS]. But as one who has followed this subject fairly closely in the leadership position, and who knows something of the difficulties that were encountered in the House, I merely say that based on the information that was available to me last Wednesday, I believe something in the nature of a miracle has occurred to get this bill through the House.

If we want a mass transit bill, we will, in my opinion, take the House bill; otherwise we shall have no transit bill at all.

The bill means nothing to me personally, because I come from the part of the country where mass transit is not a problem. But it does mean something in the urban areas of the country, where 70 percent of the people live.

I want to see legislation passed. It is a matter of practical realities. That is the situation in a nutshell, as the distinguished Senator from Alabama and other Senators preceding me have tried to make clear.

Mr. SPARKMAN. I thank the Senator from Montana.

Mr. TALMADGE. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I am glad to yield. Mr. President, I yielded myself 5 minutes. Have I used the 5 minutes?

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. SPARKMAN. I yield myself 2 additional minutes. I yield to the Senator from Georgia.

Mr. TALMADGE. What provision is made in the House bill for the relocation of public utilities that might be affected under the terms of the bill?

Mr. SPARKMAN. The relocation of utilities is dependent upon the Federal-aid highway program. In that act, a program is provided for the location of utilities. I shall not at this time attempt to give the details; I am sure the Senator from Georgia will recall them.

I refer the Senator to section 111, paragraph A, of the Federal-Aid Highway Act of 1956.

Mr. TALMADGE. I thank the Senator from Alabama.

Mr. SPARKMAN. That act contains a provision that payment can be made or negotiated so long as State law does not prevent it.

Mr. TALMADGE. I thank the able Senator from Alabama for clarifying that point.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. How much time have I remaining?

The PRESIDING OFFICER. The Senator from New York has 12 minutes remaining.

Mr. JAVITS. I yield myself 5 minutes. I heard with a little amusement the arguments made by my colleagues. I love them; I hope they will forgive me.

The Senator from Alabama says this provision does not require the impossible. But it does require the impossible. The manager of the bill in the House said so on the floor of that body. Representative RAINS made very clear what he understood this provision to mean when he said, at page 14975 of the RECORD of June 25:

As I understand the gentleman's amendment, it would require not only that any manufactured product, such as say a locomotive, be manufactured in the United States, but that substantially all its manufactured component parts likewise be produced in the United States.

The courts are not going to pay that much attention—I wish they would—to the interpretation of the Senator from Alabama [Mr. SPARKMAN]. The courts are going to look at the words in the statute and the interpretation of the Members of the House who took the amendment, and that will be about as tight as we can make it. It will be absolutely impossible not to violate it. It will be violated; it must be violated, or a manufacturer could not buy anything, not even in the United States.

We are told by the Senator from New Jersey [Mr. WILLIAMS] that the provision will not have any practical effect because we are not buying anything abroad now. I maintain that we shall be going out to adventure and find new ideas, whether it be in monorails or something else, to help to solve our mass transportation problem. What are we going to do? Clamp down on the transportation crush? The bill does not provide that we cannot look abroad; that we are going to be confined to the United States. If the amendment has no practical effect, why put it in the bill and make it extremely difficult for Christian Herter to carry out his negotiations in Geneva now?

Finally, I must say that apparently our Democratic colleagues think they have a better idea of what the Republicans will do in the other body than we Republicans do. That is what they are speculating on. The Senator from Pennsylvania [Mr. CLARK], and the Senator from Montana [Mr. MANSFIELD]—and I have the highest affection and regard for them—are guessing that Republicans in the other body will not take the amendment.

I think my view is also entitled to some consideration in that regard. I believe they will give some consideration to it.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MANSFIELD. Frankly, I was not even thinking of the Republicans in the other body, but I was thinking of some Democrats who I know would be hard to persuade to go along a second time.

Mr. JAVITS. I certainly would honor the Senator's thinking as to members of his party. I honor it as to my party. But I think in the river basin bill, which we also handled this year, in the same Congress, there was an amendment which provided for domestic procurement unless there was a price differential of 50 percent between the domestic as against the foreign product. The House insisted that it go out, and it was taken out in conference.

Second, we are not at the end of this session by any means. Suppose we sent the bill back with the kind of amendment that we ought to have, instead of the amendment that is now before us. If the House does not like it, it can still send it back to us. There is plenty of time. I rather hazard a guess that we shall be around for a few weeks more. Why cave in? It is one thing to cave in on excise taxes, which will expire tonight. But why cave in on this fight? We have been fighting for years. Why allow it to be distorted and abused—I say that advisedly—by the kind of provision that has been incorporated in the bill, without trying, at least, what I am proposing to the Senate—and, incidentally, on a most reasonable basis?

Finally, Mr. President, the Budget Bureau study, to which I have referred about the operation of the Buy American Act itself, concluded that if the price differential were raised to 25 percent we would get to the point of diminishing returns where it will generally cost much more in the budget than is saved in terms of foreign procurement.

So, for all those reasons I believe, first, that it is my duty to propose this amendment, because I believe it is extremely important that voices be raised against trade "no-nothingism" in Congress, and because I oppose the superficially attractive idea, "We will buy everything here," which is without any real concern for what happens in the rest of the world.

Second, I respectfully submit that we have an excellent opportunity to carry our point. We have carried it before.

The PRESIDING OFFICER (Mr. MCINTYRE in the chair). The time of the Senator from New York has expired.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may proceed for 1 additional minute.

The PRESIDING OFFICER. The Senator from New York is recognized for 1 additional minute.

Mr. JAVITS. The reason for a bicameral legislature is exactly what is happening here tonight—that is, one body refines what has been done in the other body, in order to keep from falling into the abyss of the serious mistake that bifocal lenses are not working at the particular moment when a particular body acts. The Senate does it sometimes, and the other body stops us. They did so in respect to the river basin bill, which was considered earlier this year in the Senate. Now it is our turn. We should do the same thing.

I hope that the Senate will approve my amendment and will send the matter back to the House, because it should go back with a buy-American provision, but a proper one, in accordance with a policy which will not embarrass us and confuse the world.

Mr. President, if the Senator from Alabama is prepared to yield back the remainder of his time, I shall do likewise.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

Mr. LAUSCHE. Mr. President, has all time been yielded back now?

The PRESIDING OFFICER. All time has been yielded back on the amendment.

Mr. JAVITS. The Senator from Ohio can get time on the bill if he so desires. If he wishes to speak, he can get unanimous consent to do so.

The PRESIDING OFFICER. All time on the amendment has now been yielded back. The question is on agreeing to the amendment of the Senator from New York. On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from Virginia [Mr. BYRD], the Senator from Louisiana [Mr. ELLENDER], the Senator from North Carolina [Mr. ERVIN], the Senator from Arizona [Mr. HAYDEN], the Senators from Washington [Mr. JACKSON and Mr. MAGNUSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Florida [Mr. SMATHERS], and the Senator from Tennessee [Mr. WALTERS] are absent on official business.

I also announce that the Senator from Indiana [Mr. BAYH], the Senator from California [Mr. ENGLE], and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

I further announce that the Senator from Oklahoma [Mr. EDMONDSON] is necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. BIBLE], the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Louisiana [Mr. ELLENDER], the Sen-

ator from California [Mr. ENGLE], the Senator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Washington [Mr. MAGNUSON], the Senator from North Carolina [Mr. ERVIN], the Senator from Tennessee [Mr. WALTERS], the Senator from Minnesota [Mr. MCCARTHY], and the Senator from Florida [Mr. SMATHERS] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Illinois [Mr. DIRKSEN], the Senator from Hawaii [Mr. FONG], the Senator from Arizona [Mr. GOLDWATER], the Senator from Kansas [Mr. PEARSON], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from Delaware [Mr. WILLIAMS] is absent to attend the funeral of a friend.

If present and voting, the Senator from Illinois [Mr. DIRKSEN], the Senator from Kansas [Mr. PEARSON], and the Senator from Pennsylvania [Mr. SCOTT] would each vote "nay."

The result was announced—yeas 14, nays 65, as follows:

[No. 455 Leg.]

YEAS—14

Alken	Douglas	Nelson
Allott	Javits	Neuberger
Boggs	Keating	Proxmire
Cooper	Kuchel	Robertson
Dominick	Lausche	

NAYS—65

Anderson	Hill	Moss
Bartlett	Holland	Mundt
Beall	Hruska	Muskie
Bennett	Humphrey	Pastore
Brewster	Inouye	Pell
Burdick	Johnston	Prouty
Byrd, W. Va.	Jordan, N.C.	Randolph
Cannon	Jordan, Idaho	Ribicoff
Carlson	Long, Mo.	Russell
Case	Long, La.	Simpson
Church	Mansfield	Smith
Clark	McClellan	Sparkman
Cotton	McGee	Stennis
Curtis	McGovern	Symington
Dodd	McIntyre	Talmadge
Eastland	McNamara	Thurmond
Fulbright	Mechem	Tower
Gore	Metcalf	Williams, N.J.
Gruening	Miller	Yarborough
Hart	Monroney	Young, N. Dak.
Hartke	Morse	Young, Ohio
Hickenlooper	Morton	

NOT VOTING—21

Bayh	Ervin	McCarthy
Bible	Fong	Pearson
Byrd, Va.	Goldwater	Saltonstall
Dirksen	Hayden	Scott
Edmondson	Jackson	Smathers
Ellender	Kennedy	Walters
Engle	Magnuson	Williams, Del.

So Mr. JAVITS' amendment was rejected.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Alabama to concur in the House amendment.

Mr. SPARKMAN. Mr. President, as I understand, we have 30 minutes to the side.

The ACTING PRESIDENT pro tempore. That is correct. Are there any further amendments?

The Senator from Alabama is recognized.

Mr. SPARKMAN. Mr. President, I am ready to vote, but I understand the Senator from Texas wants to use some time,

Mr. TOWER. Mr. President, a number of Senators on my side want to speak against the bill. I believe that we should not have a vote yet for 30 minutes anyway.

Mr. SPARKMAN. Mr. President, several Senators have requested time, but I do not see any of them in the Chamber.

Mr. TOWER. Mr. President, I yield 5 minutes to the Senator from Ohio.

The ACTING PRESIDENT pro tempore. The Senator from Ohio is recognized.

Mr. LAUSCHE. Mr. President, I urge the Senate to vote against this bill. In my opinion, if the bill were passed, we would enter into a program that would have no end. It would be interminable in its operation. The most optimistic estimators of what the cost will be give the amount of \$6 billion. The figure of \$6 billion is predicated upon the needs of about 40 metropolitan communities. Two hundred and seventeen communities may ask for help. In 1962 the Highway Act was amended so as to authorize a study of the problem. The study was to be completed by July 1, 1965. More than a year remains for the completion of that study. It has not yet been filed. We do not know what the findings and recommendations will be as ways and means of solving mass transportation problems in our cities. Forty cities have indicated that the amount of money that will be needed is \$6 billion. Since 217 metropolitan cities in the United States may ask for help, the needs of 177 communities have not been studied.

In my judgment, if we pass the bill, the Federal Government will forever be in the field of providing moneys with which to buy buses, equipment, parking facilities, and other needs of local mass transportation systems.

I point out to Senators the looseness of the definition of "urban areas" in the bill. On page 41, line 19, of the House bill appears the following definition of an urban area:

The term "urban area" means any area that includes a municipality or other built-up place which is appropriate in the judgment of the administrator for a public transportation system to serve commuters or others in the locality, taking into consideration the local patterns and trends of urban growth.

I submit to the Senate that under that definition practically every crossroads area in the United States, if the administrator should so determine, would become eligible for grants from the Federal Government to purchase buses, equipment, terminal facilities, parking areas, and other things needed by such transportation systems.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. LAUSCHE. Mr. President, may I have 2 additional minutes?

Mr. TOWER. I yield 2 minutes to the Senator from Ohio.

The ACTING PRESIDENT pro tempore. The Senator from Ohio is recognized for 2 minutes.

Mr. LAUSCHE. The problem is one of people. People refuse to ride the public transportation systems when they can

ride in their automobiles. The problem exists in Boston, New York, Philadelphia, and other communities that have been imprudent in the management of their systems. They have not attempted to charge the fares that would produce a revenue adequate to sustain the service. They have been subsidizing the systems. Now they have come to the end of their rope and they want the Federal Government to subsidize.

I close by saying to Senators who do not reside in the metropolitan areas that if they wish the citizens and taxpayers of their States to finance the imprudence of the managers of transportation systems in New York, Boston, and Philadelphia—not so much in Chicago, because they have been making progress—they should vote for the bill. It is a pure subsidy of what I call extravagance, negligence, and unwillingness to take firm positions on the fares to be charged.

I yield the floor.

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from New Jersey such time as he may require.

Mr. WILLIAMS of New Jersey. Mr. President, one of our colleagues, because of a recent serious plane accident, cannot be with us today to lend his voice in support of this very important piece of legislation. I, of course, refer to the junior Senator from Massachusetts [Mr. KENNEDY], who since coming to the Senate, has expressed a continuing personal concern, and has extended a real effort in the development of an effective Federal-State mass transportation program.

The Senator from Massachusetts has emphasized to the people of his State the urgency of finding solutions to the increasingly complex urban and suburban commuter problem. Largely through his efforts, funds were obtained from the HHFA for extensive commuter service experiments in the Boston area.

I might say parenthetically at this point, contrary to the statement of the Senator from Ohio [Mr. LAUSCHE], that some of the commuter lines in the greater Boston area have substantially increased ridership.

These experiments yielded valuable data and recommendations which led, to a considerable extent, to the development of a mass transit plan for Massachusetts, which plan was recently enacted into law by the Massachusetts general court.

In embarking on this pilot commuter study, and in developing a comprehensive State mass transit plan, Massachusetts has provided a very worthwhile record from which many other States and municipalities can benefit in the days ahead. The Senator from Massachusetts [Mr. KENNEDY], can take pride in the fact that his State has moved forward with positive action in this field, and Massachusetts can be proud of its junior Senator who has exhibited the spirit and initiative to stimulate this progress.

I am very pleased to make this statement and to convey to the Senate his personal wish that this measure will be

finally accepted by the Senate, and that it will become effective as soon as possible so that we can get on with the job of developing efficient mass transportation systems throughout our States.

For my part, and I think I speak for all of the Senate, we wish TED a rapid and complete recovery from his accident. The reports of his improvement have been very encouraging, and we are most thankful for this. We know TED KENNEDY is a strong and courageous young man who, in the past 2 years as a Member of the Senate, has impressed all of us with his dedication and his sincerity of effort in every job he tackles. We know he will tackle his new responsibility of getting back into condition for the fine career that lies ahead of him.

I should like to make one further comment in personal terms. The miracle described by the Senator from Montana [Mr. MANSFIELD] in relation to the passage of the bill in the House was in large part wrought by the House Member from Alabama, ALBERT RAINS. The action is one of Mr. RAINS' valedictories this year. We regret so much his decision not to seek reelection. It is interesting that the leadership of the bill in the Senate has been by another Alabamian, Senator JOHN SPARKMAN. They are truly two stars from Alabama. I yield the floor.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. TOWER. I yield 5 minutes to the Senator from Colorado.

Mr. DOMINICK. Mr. President, along with the Senator from Ohio [Mr. LAUSCHE] I spoke against the bill when the Senate originally considered it. That was the original Senate bill as modified by the Commerce Committee. The House bill is wholly new. I suggest to the Senate that many Senators have not studied the wording of the House bill. Following up what the Senator from Ohio said, I should like to cite some of the things which I think create real concern over the bill as it is now worded. The first is the definition of "mass transportation." That is what we are supposed to be providing aid for; and I presume from the comments that have been made by the Senator from New Jersey [Mr. WILLIAMS] and by others that they are thinking in terms of commuters. But the fact is that the definition of "mass transportation" to which aid could be given under the bill is stated to be "transportation by bus, rail, or other conveyance, either publicly or privately owned, serving the general public and moving over prescribed routes."

This could be in a steamship. It could be in a freighter line. It could be in helicopter service. It could be in an air-line. It could be in a ferry line. It could be in any single bit of conveyance at any place in the country, moving inside or outside the country, as included within the words of the definition.

The question of who is going to get the grants and who is not is left in the sole discretion of the Administrator.

My second point, again, goes to the definition. I reemphasize what the Senator from Ohio said. What is an urban area? Part of the definition is "any built-up place," anywhere, as far as one

can see. If that does not mean a house or a barn with a couple of "Chic" Sale outhouses behind it, I never heard anything more indefinite than that. Any "built-up place" is the definition which will give discretion to the Administrator to give away \$75 million of the taxpayers' money in the first year and \$150 million in each of the next 2 years.

My third point is that it will be recalled from the original hearings that San Francisco and the State of California worked together to try to establish a mass transportation system in that State. I do not have the exact figures before me, but my recollection is that the total amount involved was \$900 million of bond issue in order to provide an adequate commuter service in that city.

Going further, I said that the administrator, at his discretion, could give money to any place in America, but I point out that he could give no more than \$9,375,000 in the first year to any one State and no more than \$18,750,000 to any one State in the second or third year. Consequently, it is not going to do any good so far as producing an adequate commuter service that will do any good for the general public is concerned.

So we are kidding ourselves if we think the bill, if adopted, would be effective in solving the commuter problem.

We come now to what is going to be granted. Under section 3(a) of the bill the Administrator is given authority to make loans or grants, at his discretion, and he is authorized to make loans or grants on criteria which he determines are satisfactory.

Section 4(a) reads:

Except as specified in section 5, no Federal financial assistance shall be provided pursuant to section 3 unless the Administrator determines that the facilities and equipment for which the assistance is sought are needed for carrying out a program, meeting criteria established by him.

Once again, this means that under the proposed act there would be an administrator who would have sole authority to determine what facilities and equipment are proper. It would give him a czarist position, if we want to use that term, over the whole industry.

It seems to me we are compounding about three evils in the bill as it is now written.

I merely want to say one more thing about the bill. We are being urged to push through a bill which is vague and indefinite, and which covers a far larger scope than anybody in the Chamber at the present time—unless he is on the committee—actually realizes. It is not going to do any effective good. It gives to one man power to give away \$75 million the first year and \$150 million in each of the next 2 years.

In my opinion, it is a poorly drawn bill and should not be passed.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

The Senator from Alabama is recognized.

Mr. TOWER. Mr. President, does the Senator from Colorado desire further time? If so, how much?

Mr. DOMINICK. I could use 1 more minute.

Mr. TOWER. I yield 1 minute to the Senator from Colorado.

The ACTING PRESIDENT pro tempore. The Senator from Colorado is recognized for 1 additional minute.

Mr. DOMINICK. No study has been made as to the effect which the bill would have in connection with the Federal Aviation Agency. It is perfectly apparent that under the provisions of the bill it is entirely possible for the Administrator to take over many of the functions of the Federal Aviation Agency and to create complete discord in one of the few industries which is now working in somewhat well regulated and well modified terms.

It seems to me this is another proposal which we should study very carefully before we accept it.

Mr. TOWER. Mr. President, I yield 6 minutes to the Senator from South Carolina [Mr. THURMOND].

The ACTING PRESIDENT pro tempore. The Senator from South Carolina is recognized for 6 minutes.

Mr. TOWER. Mr. President, I change that to 5 minutes.

Mr. THURMOND. Mr. President, I reiterate the opposition which I have already expressed to the enactment of the proposed mass transit legislation.

There is no constitutional authority for the Central Government to enter this field of activity, because this is a purely local matter. This proposal does not come within the scope of the commerce clause of the Constitution, and the welfare clause of the Constitution was never intended to cover expenditures for activities such as this. Had the welfare clause been intended to cover such a broad scope of activity, there would have been no necessity for the specific enumeration of delegated power of Congress which is found in article I, section 8 of the Constitution. Also, had the welfare clause been intended to be this broad, the 10th amendment would have been meaningless, for the Central Government would have had all powers under the welfare clause, and there would have been no powers left to reserve to the States and to the people.

S. 6, in its amended form, authorizes appropriations in the amount of \$75 million for fiscal year 1965, and \$150 million for each of the fiscal years 1966 and 1967. It is clear, and I am sure that the proponents of this legislation would agree, that this \$375 million is but the beginning of this extravagant program. Our country simply cannot afford to engage in this activity, even if it were an activity authorized by the Constitution. Congress has recently enacted tax reduction legislation which, of course, has the effect of reducing the revenues accruing to the Treasury. Just last week the Senate completed congressional action on the administration's request for another temporary increase in the national debt ceiling, this time to \$324 billion. Congress owes it to itself and to the Nation to curb deficit spending and to practice restraint in its handling of public funds.

The essence of the argument in favor of this bill is that a "national problem" exists, and that, therefore, Federal action is necessary to solve that problem.

The facts do not support this approach. In fact, the inherent physical structure of our communities prove differently. We do not have a "national network" of mass transit facilities. Rather, we have as many different urban passenger transportation systems as we have communities. Clearly, then, there is not a national problem, although some of the communities having transit systems may be faced with specific problems. Accordingly, such problems, where they exist, are local in nature. This being so, there is no need, and indeed, no justification, for Federal assistance.

If a locality has a transit problem, then it should be solved at the local level, and Congress should not inject the Central Government into this area which is not authorized by the Constitution. What is the logic which would require people living in an area that does not have a transit problem to pay the bill for an area that has not worked out its own difficulties? These problems are not unsolvable for a number of communities have already met the modern day challenges in this field. They include San Francisco, Calif.; Phoenix, Ariz.; Santa Monica, Calif.; and Houston, Tex.

If one or more local communities can solve their problems, then I believe that all communities can do so. If Congress does enter this field, then, judging from the lesson of history, local initiative will soon falter and eventually die. All of our local communities will then look to Washington for the solution of their local transit problems.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. TOWER. I yield 1 more minute to the Senator from South Carolina.

Mr. THURMOND. Experience shows that when the Central Government subsidizes, it also controls. Control in the area of local mass transit could very well expand and ultimately result in complete control over, if not outright nationalization of the entire field of transportation. Some will contend that this proposal embodies no more than a first infant step. Perhaps this is true, but this is an infant which will grow and expand overnight and could well become a monster. This program should be rejected.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. SPARKMAN. I yield 5 minutes to the Senator from Ohio.

Mr. YOUNG of Ohio. Mr. President, more efficient transportation systems are absolutely essential to the growth and well-being of our metropolitan areas. Years ago, 75 percent of Americans lived in rural areas. Transportation was a much less complicated matter. Today, 75 percent of all Americans live in urban areas. It is estimated that in 20 years 140 million people will live in 40 large urban communities.

Today, urban areas cross city, county, and even State lines. Operators of bus, subway, and rail lines do not recognize political boundaries. Coordinated, area-wide transportation systems are required. These systems require and merit Federal assistance so that urban areas

can carry the burden of a growing, mobile American public.

This era of urban sprawl has removed whatever justification there may have been for attempting to solve urban mass transportation problems by local action alone.

Seven of ten Americans now live in metropolitan areas. This proportion is increasing—at the rate of 3 million of our fellow citizens yearly—while our rural population is declining.

Citizens living in rural areas can no more ignore the problems of our cities than citizens living in our great cities can ignore the needs of this Nation's rural communities. Economically, politically, and socially, they thrive on mutual well-being.

An ever-increasing volume of traffic chokes our city streets, hampers commerce and communication and hampers our national growth. It is clearly the responsibility of the Federal Government to join with private enterprise and local government to help solve this problem.

Inadequate public transportation has forced city dwellers to use their private automobiles. This in turn has meant a gradual strangulation of our city streets, highways, parkways, and freeways. In most communities, the construction of freeways cannot keep up with the ever-increasing volume of traffic.

There were 7 million new automobiles sold in the United States in 1963. A yearly sale of 10 million automobiles is expected within a decade. The implication is clear: foresight, planning, and action are needed now. The urban mass transit bill, it appears to me, is a good beginning. It is that always important first step.

The bill, if enacted into law, would provide \$375 million in loans and grants over a 3-year period for commuter railroad projects aimed at moving people more quickly and efficiently. Federal funds will come into play only if initial anticipated revenues from a particular project are not sufficient to encourage private investment. The Federal Government's responsibility and interest terminates when a grant is made. Once this is done, all responsibility remains at the local level where it belongs.

Opponents of this legislative proposal deplore Federal spending for so-called local problems such as transportation. I cannot agree that the well-being of the economy and the people of Cleveland, Akron, Toledo, New York, Chicago, Columbus, and other great cities is of no concern to the rest of the Nation. In this space age of change and challenge, we can no longer legislate for a horse and buggy era, as some opponents of this bill would like to do.

Throughout our history the Federal Government has helped to build bridges and highways, to dredge canals and harbors, and to construct railroad lines across the continent. This has helped to build a great nation and a society of plenty. We must continue to build in this manner to move America forward.

Since the bill seeks to promote private investment, and since urban areas are free to develop transit systems best suited

to their particular needs, the bill is a good example of a legislative proposal that, if enacted into law, will encourage local action. It in no way intrudes on the judgment, initiative, or responsibility of local government.

People want and will use public transportation if up-to-date, convenient service is available. This is being proved in those communities cooperating in experiments financed by combined local and Federal aid, under the pilot program authorized by Congress in 1961.

Mr. President, both of the great newspapers of Cleveland, Ohio, recently published editorials strongly urging the enactment of the urban mass transportation bill. Unfortunately, all of the Representatives in the Congress representing the Cleveland metropolitan area in the House of Representatives did not support this bill when it was recently passed by the other body. In June 22, 1964, there appeared in the Cleveland Press an editorial entitled "Taft, Bolton on Wrong Track" and on June 27, 1964, there appeared in the Plain Dealer an editorial entitled "Promote Transit Aid Plan." I commend these to my colleagues and ask unanimous consent that they be printed in the Record at this time as part of my remarks.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Plain Dealer, June 27, 1964]

PROMOTE TRANSIT AID PLAN

Approval by Congress of the \$375 million mass transit bill makes it imperative that Cleveland area Congressmen, no matter what their previous feelings on the issue, unite in the effort to get a fair share for improving Cleveland's public-transportation system.

It also is incumbent on the Cleveland Transit Board to provide, as soon as possible, a detailed, feasible plan which would qualify the Cleveland transit system for this aid.

The final program should stress three aspects in particular of rapid transit. These would be extensions of the network to the southwest region around the airport; to the Parma-Brook Park area; to the southeastern section of the city.

These are the most pressing needs in the system, the places where rapid transit does not serve now, or serves insufficiently, and where passenger traffic is waiting. The program, which, by the language of the bill, can include only capital improvements, must not be muddled with extraneous items which would divert attention from the most logical and necessary transit advancements.

A hurdle to be negotiated by the board after aid is secured under the new bill would be that of raising the local share of the expenditure of any approval project. The Federal grant would cover two-thirds of the cost. A further stipulation is that only the part of an approved transit program that cannot be supported by anticipated fare revenue is eligible for this Federal help.

Since during the 3-year authorization of the bill no State can qualify for more than \$47 million, the need for Cleveland to make a sound case for its share takes on added importance.

Big cities, such as Cleveland, which are hubs of metropolitan areas, daily are finding it more difficult to find capital improvement money for transportation and allied civic housekeeping chores. The transit bill appears to be a way for Federal tax money to come back to the big cities which produce most of this revenue and need its benefits so urgently.

[From the Cleveland Press, June 22, 1964]

TAFT, BOLTON ON WRONG TRACK

Greater Cleveland's Republican legislators in Washington would do well to reconsider their opposition to the urban mass transportation bill before they vote on it this week.

If it passes the House the measure would provide up to \$500 million in Federal aid for the development and expansion of such lines as the Cleveland Transit System. Thus the proposed extension of the rapid transit to Hopkins Airport would be accelerated. It would also hasten the day when the rapid could go to Cleveland Heights or elsewhere.

Congressman at Large **ROBERT TAFT**, who would like to be Senator, has declared against the bill, fearing excessive Federal expenditures. Congressman **OLIVER BOLTON**, Republican, 11th District, who would like to be Congressman at Large, plans to oppose it because he thinks it would "create a Federal mayor" on Main Street.

Rather than conjuring up imaginary hazards, these men would do their urban, suburban, and ex-urban constituents a positive service by voting to relieve the growing transportation complexities in expanding municipalities.

The money involved in the mass transit bill is almost lost when compared to the huge Federal outlays spent on the interstate highway program, including the several controversial Cleveland freeways under consideration.

The Republican Congressmen representing Greater Cleveland should weigh realistically the benefits of a mass transit bill against their dubious fears of Federal assistance.

Mr. SPARKMAN. I yield 1 minute to the Senator from Rhode Island.

Mr. PELL. Mr. President, as a co-sponsor of the mass transit bill in the Senate, I want to urge its final passage in the form passed by the House of Representatives. This long-needed legislation, which is awaited eagerly by municipalities in my own State and across the Nation, provides a valuable new departure in Federal participation in an increasingly complex area of public concern—the freedom of movement for our growing population in our vast urbanized areas. I am especially interested in the success of this legislation because it relates so closely to my own proposal, embodied in Senate Joint Resolution 18, for an interstate public authority to modernize rail passenger service between Boston and Washington. What the mass transit bill does for public transportation within cities, my bill would do, by somewhat different means, for public transportation between cities. Now that Congress has accepted the principle of Federal participation in transportation problems at the local level, I hope that in due course it will adopt the principles advanced in my own plan for Federal participation at the regional, or megalopolitan, level. Finally, I would like to express my congratulations to the distinguished Senator from New Jersey [Mr. WILLIAMS] and all who have worked with him to bring the mass transit bill to final passage.

Mr. TOWER. Mr. President, I yield 2 minutes to the Senator from Iowa.

Mr. MILLER. Mr. President, I shall vote against the pending bill. I recognize that it might be a slight improvement over what was passed by the Senate some time ago.

In looking through the bill, I have come to the conclusion that it is not clearly drawn. With respect to the observation made by the Senator from Ohio [Mr. LAUSCHE], and the Senator from Colorado [Mr. DOMINICK], I note that with regard to the definition of an "urban area," the drafters of the bill went to some trouble to make sure that the term "States" included "possessions of the United States."

I should like to know what possessions of the United States have traffic problems to warrant the mass transportation assistance that is envisioned by the proposed act. If the manager of the bill has in mind any particular possession, I should like to have him describe it.

With respect to the comments made by the other Senator from Ohio [Mr. YOUNG], that 75 percent of the people reside in cities, it seems to me that if that is so, perhaps they ought to pay for these developments. Not all of the cities have asked for this assistance.

It is my recollection that San Francisco, Calif., has done a very good job of self-help. If it has done it, why cannot other cities do so too?

I should like to make one other observation. On page 33 of the bill I note that it provides:

(c) No financial assistance shall be provided under this Act to any State or local public body or agency thereof for the purpose, directly or indirectly, of acquiring any interest in, or purchasing any facilities or other property of, a private mass transportation company, * * * unless (2) the Administrator finds that such program, to the maximum extent feasible, provides for the participation of private mass transportation companies.

The **ACTING PRESIDENT** pro tempore. The time of the Senator has expired.

Mr. TOWER. I yield a half minute more to the Senator from Iowa.

The **ACTING PRESIDENT** pro tempore. The Senator is recognized for an additional half minute.

Mr. MILLER. Mr. President, I ask: Why are we to have a program that will provide for the maximum use of private mass transportation companies, and in the same breath provide for the acquisition of such private mass transportation companies? I hope the bill will be defeated; but I would guess, because of the control of the executive branch over this body, that this body will pass it.

Mr. TOWER. Mr. President, I yield myself 5 minutes.

So many things are wrong with the bill that I do not know really where to start. To begin with, it is potentially a political grab bag. I believe it will result in a great deal of wasted money. The worst thing about it is that it does not address itself to the problem.

The bill is basically dishonest, because it is proposed to take \$375 million and throw it at a \$10 billion problem. That is a drop in the bucket. It will not do the job. But it will be a foot in the door. Ultimately, we shall have federally controlled mass transportation in every city in the United States, if we let the camel stick its head in the tent now.

The purport of the bill is that it will help resolve transportation problems in

the cities, and encourage the cities to develop their own transit plans. I submit that the bill will discourage initiative and responsibility on the local level, because there are many people who will reason: "Let us not play around the issue and improve our own mass transit system. Let us not do what is necessary. If we wait a while, the Federal Government will appropriate more money. The law will be amended, and we will get more than 12½ percent. We shall have billions more to play with. Then we can go to Washington, and they will solve our mass transportation problem."

While those people are waiting around, they will not be doing anything about the problem locally, because they will be expecting the Federal Government to do something for them.

The bill contains insidious provisions. Not only will the bill stifle local initiative and responsibility; it will intrude the Federal Government into the political subdivisions of the States. Cities are creatures of the States. We shall be going over and around the State governments. The bill makes a calculated effort to reduce the cities and States to absolute dependencies of the Federal Government.

There is also the labor problem. The bill will do some strange and wonderful things. The labor provision will probably negate State laws pertaining to public employees, the right to bargain, the right to strike, and that sort of thing. The bill could, I think, affect State laws with regard to public utilities.

Further, the bill is probably in conflict with the civil rights bill, because it provides for freezing in particular jobs and situations the employees of companies that are taken over by local authorities to be subsidized by the bill. There may be companies in which discrimination is currently practiced. Then the bill would run into conflict with title VI of the civil rights bill.

I think it is high time, when we cannot balance our budget, to stop initiating new programs, programs that will cost the Government money. I think, even more, that it is high time that we stop reducing the people and the States to dependency on Uncle Sam. It is high time that we stop encouraging everyone to come to Washington with his problems, insisting that if there are problems, we will throw some money at them, and they will go away.

I hope the Senate will defeat the measure.

DEDICATION OF CAPE MAY-LEWES FERRY

Mr. SPARKMAN. Mr. President, I yield 2 minutes to the distinguished Senator from New Jersey.

Mr. WILLIAMS of New Jersey. Mr. President, today, as we debate a mass transit bill, the culmination of a long and remarkable transit development took place at Cape May, N.J. There, Gov. Richard Hughes, of New Jersey, and Gov. Elbert Carvel, of Delaware, presided at dedication ceremonies of the Cape May-Lewes Ferry and celebrated

still another link of friendship and accessibility between the two States.

At ceremonies on both sides of Delaware Bay, the Governors were joined by those who helped make this new service possible. As Governor Hughes said, the dedication today was the result of bi-State, bipartisan action by State legislators, the Delaware River and Bay Authority, and individuals and groups that have a keen understanding of the benefits to be derived from the new facility.

Today's ceremonies also brought forth the prediction that the ferry ceremony may well be the forerunner of an eventual direct highway connection across Delaware Bay. This comment was made by Clarence D. Martin, Jr., Under Secretary of Commerce for Transportation. He also reminded us that we are rapidly approaching the day when an Atlantic coastline ocean route will stretch from Maine to Florida.

Mr. President, the Under Secretary's speech clearly expresses the great local and national interest in new transportation advances. I ask that it be printed in the RECORD, along with an excellent summary of the history of the Cape May-Lewes ferry. This summary, written by Mr. William P. Frank, was printed as part of the official dedication program.

There being no objection, the speech and historical summary were ordered to be printed in the RECORD, as follows:

REMARKS BY THE HONORABLE CLARENCE D. MARTIN, JR., UNDER SECRETARY OF COMMERCE FOR TRANSPORTATION, INAUGURATING FERRY SERVICE BETWEEN LEWES, DEL., AND CAPE MAY, N.J., JUNE 30, 1964

It is a pleasure to take part in the opening of this important new ferry service, linking the resort areas of Delaware and New Jersey.

The State and local officials who took the initiative to develop this service we are inaugurating are to be congratulated. This is a welcome reminder of the important role of State and local governments in meeting transportation requirements.

This project, for instance, involves a brand new service. It is using vessels obtained from the State of Virginia which have been replaced by a vast bridge-tunnel project across lower Chesapeake Bay.

That project once started just as yours—as an experimental ferry service. Its place in the transportation system was quickly demonstrated. It grew and eventually the need outpaced the capacity of a ferry system. Now a more extensive facility is in operation. It may well be that history will repeat here. This may be the forerunner of an eventual direct highway connection across Delaware Bay.

Many of us have long been fascinated by the developing system of ocean highways along the Atlantic coast. Such links as the Garden State Parkway, the Long Island Parkways, and the highways of New England have made possible great stretches of available routes for travelers who enjoy the sight and proximity of the ocean.

Water barriers still hamper the full realization of an ocean route from Maine to Florida, but they are becoming fewer each year. The Virginia bridge and tunnel, the Narrows bridge in New York, and many other projects now exist.

This kind of facility—boldly conceived to open up new economic and social opportunities—involves the kind of local, State, and Federal cooperation which President Johnson has earnestly asked for to serve our great society.

The highway between Rehoboth and Ocean City, Md., opened in the late 1930's is an ex-

cellent example of how a highway can promote new kinds of community relationships, stimulate economic growth and help provide additional recreational opportunities.

The administration is fostering this kind of highway development in its program for Appalachia, the economically underdeveloped regions in the Appalachian mountains.

We are dedicating a facility catering to the vast, heavily populated region of the northwest corridor of the United States. This immediate area is one of the world's most popular playgrounds for the millions of families along the eastern seaboard.

As this region continues to prosper in the future, Federal, State, and local authorities must cooperate closely for transportation development. The planning studies undertaken by the highway department in cooperation with the Bureau of Public Roads are examples of what is being done. Federal aid to mass transportation, for which Senator HARRISON WILLIAMS deserves major credit, is another factor. The tireless leadership of the Johnson administration and Senator WILLIAMS and his colleagues in Congress has finally resulted in a transit bill being approved by both Houses of Congress.

A further step will be the growth of transportation services to supply high-speed movements of persons between the major urban centers of the region. The Department of Commerce has been charged with the responsibility for developing the plan for this service in the urban regions of the Northeast.

Transportation is vital to the social, economic, and recreational well-being of this great area. The ocean highway should be one part of a comprehensive program, evolved through the cooperation of all governmental levels.

I share your faith in the future development of this region—your desire to make it a better place to live and work—and to improve the access to its unparalleled resources for recreation.

I offer my congratulations and my best wishes.

Thank you.

CAPE MAY-LEWES FERRY (By William P. Frank)

A ferry service does not begin in the drafting room of engineers nor in the swank offices of financiers. It begins, rather, in the imagination of men who want to get from one land base to another, across a body of water, in as straight a line as possible—and as quickly as possible.

This is how the Cape May-Lewes ferry began—back in the dawn of the histories of Delaware and New Jersey. From earliest days of colonization, men figured that the Delaware Bay and Atlantic Ocean could either be a barrier between the two States or a common bond.

The opening of the Cape May-Lewes ferry today caps the climax of dreaming, thinking and planning on how to bridge the barrier and establish what a New Jersey Governor recently called "the betrothal of our two States."

Even before the coming of the Dutch, Swedish, and English explorers in our area, the Indians ferried themselves across from one cape to another in their flimsy canoes. They didn't have to depend upon traffic studies to convince them of the importance of getting from one shore to the other.

The European settlers who followed them did likewise, although their craft was a lot more safe and dependable.

In the days before the Civil War, steamers would come down from Philadelphia, touch at Delaware ports, such as New Castle and Wilmington, and then proceed toward Cape May for weekend jaunts and summer holidays.

In the latter part of the 19th century and early 20th century, railroads and steamship

companies combined their efforts to transport pleasure seekers across the Delaware Capes. That service died, but the dream of linking the two States with a ferry line did not fade. Men of southern Delaware and southern New Jersey stood on the shores of their respective States and in their minds' eyes could see a ferry service that would be beneficial to the entire area.

The only questions were—and they were major questions: How and who would start such a service?

Studies were made in the middle 1950's with great hopes that refused to be squelched by cynics and pessimists. Then came the big break which, oddly enough, grew out of a dispute between Delaware and New Jersey over the future of the Delaware Memorial Bridge.

In 1955, Gov. J. CALSB BOGGS, of Delaware, and Gov. Robert B. Meyner, of New Jersey, began conversations about the mutual problems of their respective States. As they discussed the future of the Delaware Memorial Bridge, they also began to talk about the ferry.

In the meantime, business and civic leaders of southern Delaware and southern New Jersey actively promoted the idea of a Cape May-Lewes ferry. They kept alive the plan which often faced defeat. It frustrated them that they were so close—and yet so far away with the absence of an agency that could bring them together.

Eventually, through intelligent understanding and a willingness to be partners in crossings of the Delaware River and Bay, the two States worked out a compact agreeable to the legislatures and the Governors.

So was born the 10-member Delaware River and Bay Authority, with blessings of the two States and the Congress. It had a directive to build other bridges across the Delaware and also establish a ferry between Cape May and Lewes.

Despite opposition in some quarters, the Governors of the two States—Elbert N. Carvel, of Delaware, and Richard J. Hughes, of New Jersey—worked together in harmony along with the authority representatives of their States.

From the time the authority was activated in February of 1963, its members proceeded with dispatch to establish the Cape May-Lewes ferry. It was visualized as "the missing link" in a route between New England and Florida and a stimulus in travel between central and southern Delmarva Peninsula and southern New Jersey.

Four ferries of the Kiptopeke-Cape Charles Virginia, line were purchased for \$3,300,000. The vessels were refurbished and renamed in keeping with the Delaware-New Jersey "betrothal."

And so after many years of dreaming and planning the 16-mile expanse of water between Lewes and Cape May is spanned. The Delaware Bay is no longer a barrier, it is now a bond between two States.

URBAN MASS TRANSPORTATION ACT OF 1964

The Senate resumed the consideration of the bill (S. 6) to authorize the Housing and Home Finance Administration to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes.

Mr. SPARKMAN. Mr. President, I yield myself 5 minutes.

I support S. 6, as amended, and passed by the House of Representatives on June 25. I urge the Senate to approve the House amendment without a conference. The differences in the House bill over the

Senate bill are not of earth-shaking importance. We can live with them. I believe the Senate should accept the House version.

I have prepared a memorandum showing the principal differences between the Senate and House versions of the mass transit bill. I ask unanimous consent that it be printed at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. SPARKMAN. Mr. President, much of the debate this afternoon has seemed to follow a course as if we were passing a brandnew bill. That is not the situation. We are calling for action on a bill that has previously passed the Senate by a good margin, and then went to the House, where a complete substitute amendment was added.

Many Senators who have spoken against the bill ought to be pleased that the House cut in half the amount of the Federal funds involved. I refer to the deletion of the provision relating to guaranteed bonds, which the Senate bill originally contained.

I digress for a moment to pay my respects to the able junior Senator from New Jersey, who has handled the bill from the beginning. He was very active in the subcommittee in the course of the hearings, in developing evidence that the committee ought to have, and in fighting for the legislation over the years. I pay tribute to the Senator from New Jersey for the excellent work he has done.

The first mass transit bill was passed by the Senate in 1960. However, no action was taken by the House of Representatives. Again in 1961 we passed legislation on mass transit as part of the housing bill of that year. That legislation placed mass transit on a temporary basis. It was agreed to by the House after a conference. That law went into effect, and studies of experimental projects were made throughout the country with the assistance of Federal loans and demonstration grants.

In 1962, the Banking and Currency Committee reported a comprehensive mass transit bill to the Senate but held up its passage waiting for the House. When it became apparent that the Congress would take no action the Senate and the House reached an agreement whereby we would merely extend the temporary program for another year.

In April 1963, the Senate passed this bill. That made it 4 consecutive years that the Senate voted favorably on some aspects of mass transportation legislation.

I could take up many of the things that have been said about the bill and explain them; but all of it has been hashed over, not once, not twice, but four different times. The Senate has acted favorably three times on extensive bills and one other time to extend the existing program.

All that is being asked now is that the Senate concur in the amendment of the House.

Passage of this legislation by the House of Representatives is a milestone in good legislation and a great victory

for the cities of America. This bill was conceived in order to help local transit overcome the traffic congestion that is paralyzing our cities. Every city in the country is caught between rising costs and declining patronage resulting in fares going higher and higher. Consequently, more and more people are using private automobiles which compounds the problem and creates considerably more congestion in the cities. This is a vicious circle. The cities have long recognized this but have been unable to do anything about it. They have appealed to the Federal Government for assistance and, at long last, the Congress has realized the significance of this problem and is about to pass legislation to do something about it.

Mr. President, the problems which this bill seeks to solve affect every one of us. It affects the millions of people who use mass transit daily; it affects those who find that driving their own cars becomes more difficult every day as traffic jams become worse and parking more difficult; it affects the whole Nation because our cities account for most of the business activity of the country and anything that makes them inefficient hampers our national growth; and, finally, it affects all of us who recognize that unsolved traffic and transit problems weaken local government and reduce the tax revenues on which they depend.

The passage of legislation this year will complete 4 years of effort on the part of the Congress to provide relief which the cities so badly need. During these 4 years, after many days of hearings and many hours of debate in both Houses of Congress, we have developed legislation which, with the exception of a few minor differences between the bill as passed by the Senate and amended by the House, represents the consensus of the Congress.

Mr. President, there are a few differences between the Senate and House versions which I find have no real significance. They can be reduced to three principal differences and a number of minor ones which, I believe, will in no way impair the effectiveness of the bill as passed by the Senate.

Mr. President, I feel that there are three principal issues before the Senate in deciding whether to approve the House-passed bill. One involves the question of guaranty of revenue bonds, which provision was not included in the House-passed bill, but which is in the bill as passed by the Senate. Another involves the buy American provision which is included in the House-passed bill, but which is not included in the Senate bill. The third involves the difference in the language of the labor provision in each bill.

Regarding the guarantee of revenue bonds, the bill as passed by the Senate would authorize the Federal guarantee of \$375 million or revenue securities issued by public bodies but subject to Federal income taxation. The bill required that the Administrator was to first determine whether the guarantee provisions would satisfy the financial needs of a community before he would be permitted to make grants or direct loans.

All of us know that the big push behind this amendment was to satisfy the needs of a few communities on the west coast. One city in particular was operating under a State law which made it necessary to use the bond guarantee approach. Since passage of the bill by the Senate in 1963, however, I learned that the State of California has passed a new law for southern California which removes the necessity for the bond guarantee method.

Another provision which I feel represents a principal difference between the bills as passed by the Senate and House is the "buy American" provision which is included in the House-passed version of S. 6.

Section 9(c) of S. 6 as passed by the House would require that:

All contracts for construction, reconstruction, or improvement of facilities and equipment in furtherance of the purposes for which a loan or grant is made under this act shall provide that in the performance of the work the contractor shall use only such manufactured articles as have been manufactured in the United States.

This provision attempts to assure that American made products are used in projects assisted with a loan or grant made under the Urban Mass Transportation Act of 1964.

I have no quarrel with this overall objective and I believe that most Members would support it in principle. However, the provision as contained in the House-passed bill is much more restrictive than the usual "buy American" provision regarding the purchase of goods financed with Federal funds. I am sure that some Members would object to such a restrictive provision primarily because of the precedent it sets. However, I have studied this matter and have concluded that it is not a serious matter as it would affect the administration of this act.

I believe there are a number of points that should be taken into consideration in deciding what its impact would be upon this program. In the first place, it does not appear that the House intended that foreign manufactured products or foreign articles which may be components of American products be entirely prohibited.

The purpose of the amendment is to assure maximum employment of American labor on projects assisted with funds provided by the Urban Mass Transportation Act of 1964. This purpose is not furthered if this provision is applied in so literal a fashion as to preclude this undertaking or completion of a project which is dependent upon the use of foreign-made products which cannot be acquired in the United States.

The House amendment simply requires that if a product needed for a project is produced in the United States, the American product must be bought without regard to the price advantage that might accrue by using a foreign made product. However, if a needed product is not available in the United States, this amendment would not preclude the purchase of a foreign product.

If the purpose of the amendment is kept in mind, it is clear that the use of

foreign materials or manufactured articles as components of American products is also not prohibited. Clearly, if the components of the American products are not available in the United States, it is permissible, within the intent of this provision, to use a foreign component.

In addition, it may not be possible, in an intricate piece of machinery having many, many component parts, to practically assure that every screw, every nut, every bolt, every can of oil, every coat of paint, is an American product.

This provision does not require the impossible. One cannot practically determine that in the manufacture of intricate, sophisticated machinery, some foreign articles have not been included, or used to construct the completed product.

The House amendment simply requires that to the extent substantial components of the completed product can reasonably be identified, and procured from American manufacturers, this must be done.

The other matter which I should like to call to the attention of the Senate is the language of the labor provision in the House bill. On the surface, the language of the Senate version looks different from the House version, but a deeper analysis boils it down to one basic issue.

The Senate would have labor's rights under the bill protected by arrangements made by the HHFA Administrator in concurrence with the Secretary of Labor. The House would place the complete responsibility for this in the Secretary of Labor.

Now, Mr. President, I am sure we can find those who would support one or the other. However, in considering this matter, the House of Representatives had in mind the technicalities of labor legislation properly rested in the hands of the Secretary of Labor and not in the hands of the HHFA Administrator. Therefore, in considering this change, I, for one, feel this is a decided improvement, and I concur completely in the House action.

I will not take the time of the Senate to review the several minor differences between the two bills only to say that several of them were conforming changes made as a result of the deletion by the House of the bond guaranty section of the bill.

Beyond that, the House did not include several items which were in the Senate bill as a result of further study of these matters by the House Banking and Currency Committee which felt that many of these provisions were unnecessary and would be unduly restrictive in the administration of the program and that existing law and regulations would take care of matters of this sort.

For example, the Senate bill required the Administrator to approve a schedule of fares that would be economically sound and to watch over that schedule of fares to make sure that no change was made in it which would impair the economic soundness of the project. The House committee felt that the Administrator already had such authority and that the effect of the Senate provision would be to involve him too deeply into local affairs.

Mr. President, I believe that S. 6 as amended and passed by the House is a

good and effective bill, and I hope that the Senate will accept it.

EXHIBIT 1

URBAN MASS TRANSPORTATION BILL OF 1964—
DIFFERENCES BETWEEN H.R. 3881, AS
PASSED BY THE HOUSE AND S. 6, AS PASSED
BY THE SENATE

1. GUARANTEE OF REVENUE BONDS

The Senate bill (secs. 5 to 12) would authorize the Federal guarantee of up to \$375 million of transit revenue securities, issued by local public bodies but subject to Federal income taxation. The Administrator would be authorized to make grants or direct loans only where he determines that these guarantee provisions "would not provide the financial assistance required by the applicant." (Apparently, loan guarantees are intended to be used along with grants, in projects where such use will reduce the need for grants.) The guaranteed securities would have to be reasonably assurable of repayment from transit revenues, be amortized over not more than 40 years, bear whatever interest rate the market establishes, and be issued in connection with projects for which at least 25 percent of the "financing" is by "bonds and securities not guaranteed under this act."

To the extent that guaranteed securities would otherwise be in default, regular debt service payments to the security holders would be made from a Transit Revenue Bond Guarantee Fund. Appropriations to the fund would be authorized as needed to make such payments. The local public body issuing the defaulted securities would in turn give the fund a note, at an interest rate one-fourth higher than that of the defaulted issue, payable from any revenues available after all earlier issues had been retired.

The House bill contains no comparable provisions.

2. BUY AMERICAN PROVISIONS

The House bill (sec. 9(c)) would require that all "contracts for construction, reconstruction, or improvement of facilities and equipment" receiving loan or grant assistance shall provide for use only of "such manufactured articles as have been manufactured in the United States." The legislative history indicates that even component parts of articles are subject to the provision.

The Senate bill contains no comparable provision.

3. PROTECTION OF MASS TRANSPORTATION COMPANY EMPLOYEES

The House bill (sec. 10(c)) would require, as a condition to any assistance, that fair and equitable arrangements, as determined by the Secretary of Labor, be made to protect the interests of "affected" employees. These arrangements would have to include—(A) such provisions as are necessary for (1) preservation of rights, privileges, and benefits (including pension rights) under existing collective bargaining agreements or otherwise; (2) the continuation of collective bargaining rights; (3) the protection of individual employees against a worsening of their position with respect to their employment; (4) assurances of employment to employees of acquired systems and priority of reemployment of employees terminated or laid off; and (5) paid training or retraining programs; and (B) provisions (whether or not otherwise required under (A)) for protection of individual employees against loss of employment or reduction in pay which provide benefits at least equal to those established pursuant to section 5(a) (f) of the Interstate Commerce Act (which in effect assures that employees terminated or displaced from their old jobs will be assured of a continuation of their current wage-income for up to 4 years).

The Senate bill (sec. 19(c)) is substantially identical except that determinations

as to what are "fair and equitable" arrangements would be made jointly by the Secretary of Labor and the Housing and Home Finance Administrator, rather than solely by the Secretary.

Note.—Both bills also contain regular Davis-Bacon prevailing wage requirements (secs. 10 (a) and (b) in the House bill, and secs. 19 (a) and (b) in the Senate bill).

4. RESTRICTION ON ACQUIRING OR COMPETING WITH EXISTING PRIVATE COMPANIES

The Senate bill (sec. 3(b)(1)) would prohibit acquisition of the facilities or other property of a private mass transportation company, or the improvement of facilities acquired from such a company after the effective date of the act, unless (1) the company has been declared bankrupt or is in receivership, or (2) the requested assistance is essential to a program for the acquisition of facilities or property supplementary to those provided by an existing publicly owned or operated system.

Also, the Senate bill (sec. 3(b)(2)) would prohibit financial assistance for facilities or equipment to be used in competition with, or supplementary to, service provided by an existing private company unless the Housing Administrator finds that (1) such assistance is essential to the comprehensively planned transportation program for the area, and (2) the program provides for the maximum feasible participation of private companies.

The House bill (sec. 3(c)) would apply less strict requirements in cases involving acquisition or improvement. It would prohibit acquisition, improvement, competition, or supplementation unless the Administrator finds that (1) such assistance is essential to the comprehensively planned transportation program for the area; (2) the program provides for the maximum feasible participation of private enterprise; (3) just and adequate compensation, to the extent required by applicable State and local laws, will be paid to companies for acquisition of their franchises or property; and (4) the Secretary of Labor certifies that the project complies with the labor-protective provisions of section 10(c).

5. CONTROL OF FARES ON GRANT-ASSISTED PROJECTS

The Senate bill (sec. 13(c)) would require the Administrator to determine whether a proposed fare schedule was "economically sound" in his estimate of the "net project cost" of a grant-assisted project. If, while revenue obligations for such a project were outstanding, the approved schedule was changed and the Administrator determined that the change "will substantially reduce revenues * * * and lessen the chances for an economically sound operation," no assistance "under any law administered by the Housing and Home Finance Agency" could be granted for any project in "such (urban) area" until the Administrator determined that changes had been made to permit an economically sound operation.

The House bill contains no comparable provision, but contains a provision prohibiting the Federal regulation of rates, as explained in item 6 below.

6. PROHIBITION AGAINST FEDERAL REGULATION OF CHARGES OR OPERATIONS

The Senate bill (proviso in sec. 11) would prohibit the Administrator from regulating "in any manner the mode of operation of any mass rapid transit system or the rates, fares, tolls, rentals, or other charges fixed or prescribed by any State, local public body, or agency thereof."

The House bill (sec. 9(f)) would specify that the Administrator is not authorized, after a grant is made, "to regulate in any manner the mode of operation of any mass transportation system with respect to which a grant is made under section 3 or, after such grant is made, to regulate the rates,

fares, tolls, rentals, or other charges fixed or prescribed for such system by any local public or private transit agency," but is authorized to require compliance with undertakings furnished by an assisted agency as part of its grant application.

7. MAXIMUM LOCAL TAX RELIEF FOR ASSISTED PRIVATE COMPANIES

The Senate bill (sec. 3(c)) would require that before a local public agency could obtain Federal financial assistance in assisting a private transportation company, it must first have "afforded the company every feasible relief, compatible with * * * [its] * * * own fiscal responsibilities, including, but not necessarily limited to," relinquishment of real and personal property taxes and franchise taxes.

The House bill contains no comparable provision.

8. DIRECT LOAN INTEREST RATE FORMULA

The Senate bill (sec. 3(e)) would change the formula for determining the rate of interest on funds borrowed from the Treasury to make mass transportation loans. The new formula would be based on the average yield of all outstanding marketable Government obligations of comparable maturities and would result in a lending rate from one-half to 1 percent higher, depending on the maturity of the issue, than in the present loan program.

The House bill (sec. 3(b)) would continue the Treasury borrowing formula presently applicable in the transportation loan program (and in the regular public facility loan program to which it is related, through the provisions of sec. 203 of the Housing Amendments of 1955). This formula is based on the average annual interest rate on all interest-bearing public-debt obligations, and presently produces a lending rate of 3½ percent.

9. STATE LIMITATION ON GRANT FUND

The Senate bill (sec. 18(f)) would limit the amount of capital grants per State to 12½ percent of the grant funds appropriated, plus up to an additional 1 percent from a 10 percent reserve fund. In applying this quota in the case of a project undertaken in two or more States, grants for the project could be allocated to any of the States involved.

The House bill (sec. 12) allows a straight 12½ percent to any State, but based on the aggregate grant authorization (\$375 million) rather than on the grant appropriation.

10. PROHIBITION AGAINST REPLACEMENT RESERVES

The Senate bill (fourth sentence of sec. 13(a)) would require that the Administrator, in "determining net project cost" for any assisted project, shall not reduce the estimate of project revenues "by any amount to be allocated as a reserve for replacement of equipment or facilities."

The House bill contains no comparable provision.

11. PARTICIPATION BY SMALL BUSINESSES

The Senate bill (sec. 18(b)) would require the Administrator to develop, in cooperation with Small Business Administrator, a program to insure that small business concerns are given an equitable opportunity to share in all procurement aspects of assisted projects.

The House bill contains no comparable provision.

12. ADVANCE ACQUISITION OF PROPERTY

The Senate bill (second sentence of sec. 3(a)) would authorize financial assistance "for land and improvements acquired or constructed" in advance of their expected use, if there is assurance of repayment where the property is not in fact used as proposed "within a reasonable period of time."

The House bill contains no comparable provision.

13. CONSULTATION WITH THE SECRETARY OF COMMERCE

Both the House and Senate bills contain requirements (sec. 8 and 17(a), respectively) that the Housing Administrator and the Secretary of Commerce shall consult on general urban transportation policies and programs and exchange information on proposed projects.

The Senate bill (sec. 17(a)) adds specific requirements for cooperation with respect to the planning, financing, and construction of proposed projects in urban areas, including advance acquisition projects.

14. CONSULTATION WITH THE INTERSTATE COMMERCE COMMISSION

The Senate bill (sec. 17(b)) would require the Housing Administrator to consult and cooperate with the Chairman of the Interstate Commerce Commission with respect to projects affecting interstate transportation.

The House bill contains no comparable provision.

15. PUBLIC AVAILABILITY OF DEMONSTRATION PROGRAM DATA

The Senate bill (sec. 15(d)) would require grant contracts for technological research and development to include provisions to assure that "all information, uses, products, processes, patents, and other developments" from the project will be freely available to the general public. Exceptions could be made "in the interest of the national defense," and existing "background patents" would also be protected.

The House bill contains no comparable provision.

16. DEFINITION OF MASS TRANSPORTATION

The Senate bill (sec. 18(d)(5)) in defining "mass transportation" would exclude "aircraft or steamship service (other than ferrying service)."

The House bill (sec. 9(c)(5)) in defining "mass transportation" would exclude "school buses."

17. MAXIMUM USE OF PUBLIC TRANSIT AGENCY FUNDS

The Senate bill (sec. 3(c)) would prohibit Federal assistance to a public transportation company which has any "division or segment of its operations * * * operating profitably" unless the Administrator determines that a transfer of those profits "would not be compatible with the maintenance of a coordinated mass transportation system in the area."

The House bill contains no such specific provision. However, a similar result would be reached under section 4(a), which would allow grants only for that portion of project cost which cannot be financed from revenues. Under this provision all available local transit revenues would be considered, including revenues already accumulated in the form of reserves or unallocated profits.

18. PROTECTION OF FEDERAL INVESTMENT IN GRANT PROJECTS

The Senate bill (fifth sentence of sec. 13(a)) would specify that the Administrator could make a grant for a transit project only if he determines that "(1) there exists a commitment from non-Federal sources to supply the remainder of net project cost, and (2) the Federal Government's interest in the project is adequately protected in the event of a default or a failure to complete such project."

The House bill contains no such specific provision. However, proper administration of the bill would in any case require that these conditions be met before grants are made.

Mr. SPARKMAN. I yield 3 minutes to the Senator from Connecticut.

Mr. DODD. Mr. President, today is an important day, I believe, because shortly we will vote on and I hope complete congressional action on an urban mass transportation bill.

The Senate approved its bill, S. 6, on April 4 last year. From that date, until only a few days ago it has been a very discouraging situation for me and my colleagues from States with a high percentage of urban population because it seemed that this legislation would not get through the House.

But the House last week approved an amended version of our bill, one which I think should be accepted by the Senate so that we will not waste any more time before coming to the assistance of our urban areas.

Some of the opponents of an urban mass transportation program contend that it is special legislation to benefit primarily a handful of States, including the State I represent, Connecticut.

Admittedly there is a great need for improved mass transit facilities and services in our large metropolitan areas and I would expect a substantial share of any Federal assistance under a mass transportation program to go to them. And I might point out that my State almost without exception contributes much more in Federal revenues than it receives under the various Federal programs. So perhaps it is about time that Connecticut gets a fairer share of one program anyway.

The program that is proposed in the bill now before the Senate is a broad and diversified one, however, which takes fully into account the particular needs of urban communities of all sizes, in all sections of the country. So I do not think it should be criticized as being more beneficial to some States.

Federal assistance can go to small and medium sized cities which want to provide adequate bus service to their residents, for example, to keep transportation development in pace with urban renewal and the rapid growth of suburbs.

In Connecticut, Hartford, New Haven, Bridgeport, New Britain, and other cities are presently trying to cope with these difficult, indeed in some cases staggering, transportation problems. Undoubtedly a number of them would want to apply for Federal guidance and assistance. But so would many other small and medium sized cities throughout the country.

Federal assistance under this bill can also go to large metropolitan areas, including those overlapping the borders of one or more States as New York City does.

Needless to say I am especially interested in this specific situation because the commuter problem is so acute in my State.

One of the primary reasons for the financial difficulties of the New Haven Railroad is the fact that running commuter trains into New York City is a losing proposition. But the New Haven must continue to do this, despite the assurance of financial loss each year, because thousands of people who live in Connecticut need and depend upon this transportation to get to work every day.

To illustrate what might be accomplished once an urban mass transportation program is put into operation, I would like to cite a project worked out several years ago by the Tri-State Transportation Committee, in which Connecticut, New Jersey, and New York participate.

The objectives of this plan was to link up commuter train service from outlying areas in Connecticut with the New York intracity rapid transit system, with the addition of passenger train service over an alternative route into a station in Queens from which commuters would be able to make connections with the subways to other parts of the city.

This particular plan may never come to fruition, Mr. President, but it shows the possibilities that will be open once the Federal Government is in a position to help defray some of the large expenditures needed for facilities and equipment.

The urban mass transportation bill, in addition to making grants and loans available to various kinds and sizes of urban areas, also offers a variety of methods under which this assistance can be extended.

If the need for assistance is urgent, a city can apply for a grant or loan under the emergency provisions of the bill.

In cases where a city has more time in which to evolve a coordinated mass transportation plan, it can apply for assistance under the long-range program and thereby qualify for a larger Federal matching contribution.

One more important category of assistance relates to research, development, and demonstration projects, each of which will be of value in increasing our knowledge and experience in the urban transportation field.

It is regrettable that the House did not agree to the Senate loan guarantee program. A Federal guarantee of mass transportation loans would add greatly to our efforts to help communities, in effect it would have just about doubled the number of situations in which some kind of Federal help is available, and I can well understand the dismay of a number of my colleagues over this change.

But if we do not take a firm step forward in dealing with our urban transportation problems today, and who can predict with any certainty that we will pass any legislation this year if the Senate insists on keeping the loan guarantee provision in the bill, for example, there will be a continued and even greater deterioration of commuter transportation facilities than we face at present, one with which we may be unable to adequately cope at a later date.

We cannot and should not avoid this problem of how to provide adequate mass transportation services at a reasonable cost any longer.

Seventy percent of the American people live in urban areas, so the future of these mass transportation systems is of great concern to the majority of our population right now.

And it is certain that an even larger percentage will live in metropolitan and

urban areas in the future. One reliable estimate is that 75 percent of a total population of 250 million will reside within urban areas by 1980.

Let us face up to our responsibilities to these people without further delay. I urge my colleagues to join with me in voting final congressional approval of this modest beginning.

Mr. SPARKMAN. Mr. President, I will yield back the remainder of my time, if the Senator from Texas will yield back the remainder of his time.

Mr. TOWER. We did, indeed, act on this bill before, I think it is wonderful, since we did not reject it earlier, that we have the opportunity to defeat the bill tonight.

I yield back the remainder of my time.

Mr. SPARKMAN. I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Alabama to concur in the amendment of the House. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT (when his name was called). Mr. President, on this vote I have a pair with the Senator from Rhode Island [Mr. PELL]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. MUSKIE (when his name was called). Mr. President, on this vote I have a pair with the Senator from Massachusetts [Mr. KENNEDY]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. MANSFIELD (after having voted in the affirmative). Mr. President, on this vote I have a pair with the Senator from Illinois [Mr. DIRKSEN]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withdraw my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from North Carolina [Mr. ERVIN], the Senator from Minnesota [Mr. MCCARTHY], and the Senator from Rhode Island [Mr. PELL] are absent on official business.

I also announce that the Senator from Indiana [Mr. BAYH], the Senator from California [Mr. ENGLE], and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

I further announce that the Senator from Oklahoma [Mr. EDMONDSON] is necessarily absent.

I further announce that, if present and voting, the Senator from Oklahoma [Mr. EDMONDSON], the Senator from California [Mr. ENGLE], and the Senator from Minnesota [Mr. MCCARTHY] would each vote "yea."

*On this vote, the Senator from Montana [Mr. MANSFIELD] is paired with the Senator from Illinois [Mr. DIRKSEN]. If present and voting, the Senator from Montana would vote "yea," and the Senator from Illinois would vote "nay."

*On this vote, the Senator from Arkansas [Mr. FULBRIGHT] is paired with

*Live pair.

the Senator from Rhode Island [Mr. PELL]. If present and voting, the Senator from Arkansas would vote "nay," and the Senator from Rhode Island would vote "yea."

*On this vote, the Senator from Maine [Mr. MUSKIE] is paired with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting, the Senator from Maine would vote "nay" and the Senator from Massachusetts would vote "yea."

Mr. KUCHEL. I announce that the Senator from Illinois [Mr. DIRKSEN], the Senator from Hawaii [Mr. FONG], the Senator from Arizona [Mr. GOLDWATER], the Senator from Kansas [Mr. PEARSON], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from Delaware [Mr. WILLIAMS] is absent to attend the funeral of a friend.

If present and voting, the Senator from Kansas [Mr. PEARSON] would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. SCOTT] is paired with the Senator from Hawaii [Mr. FONG]. If present and voting, the Senator from Pennsylvania would vote "yea," and the Senator from Hawaii would vote "nay."

The pair of the Senator from Illinois [Mr. DIRKSEN] has been previously announced.

The result was announced—yeas 47, nays 36, as follows:

[No. 456 Leg.]

YEAS—47

Anderson	Hartke	Monroney
Bartlett	Hayden	Morse
Beall	Hill	Nelson
Bible	Humphrey	Neuberger
Brewster	Inouye	Pastore
Burdick	Jackson	Randolph
Byrd, W. Va.	Javits	Ribicoff
Cannon	Johnston	Russell
Case	Keating	Smathers
Church	Kuchel	Sparkman
Clark	Long, Mo.	Symington
Dodd	Long, La.	Talmadge
Douglas	Magnuson	Williams, N.J.
Gore	McGovern	Yarborough
Gruening	McNamara	Young, Ohio
Hart	Metcalf	

NAYS—36

Aiken	Hickenlooper	Moss
Allott	Holland	Mundt
Bennett	Hruska	Prouty
Boggs	Jordan, N.C.	Proxmire
Byrd, Va.	Jordan, Idaho	Robertson
Carlson	Lausche	Simpson
Cooper	McClellan	Smith
Cotton	McGee	Stennis
Curtis	McIntyre	Thurmond
Dominick	Mechem	Tower
Eastland	Miller	Walters
Ellender	Morton	Young, N. Dak.

NOT VOTING—17

Bayh	Fulbright	Pearson
Dirksen	Goldwater	Pell
Edmondson	Kennedy	Saltonstall
Engle	Mansfield	Scott
Ervin	McCarthy	Williams, Del.
Fong	Muskie	

So Mr. SPARKMAN's motion to concur in the House amendment was agreed to.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.