

Delaney
Dent
Denton
Diggs
Dingell
Donohue
Dulski
Duncan
Edmondson
Edwards
Elliott
Eyerett
Evins
Fallon
Farbstein
Fascell
Felghan
Finnegan
Fino
Flood
Fogarty
Fraser
Friedel
Fulton, Pa.
Fulton, Tenn.
Gallagher
Garmatz
Gialmo
Gilbert
Gill
Glenn
Gonzalez
Grabowski
Gray
Green, Oreg.
Green, Pa.
Griffiths
Hagan, Ga.
Hagen, Calif.
Halpern
Hanna
Hansen
Harding
Harris
Harsha
Hawkins
Hays
Healey
Hechler
Hemphill
Henderson
Hollfield
Holland
Ichord
Joelson
Johnson, Calif.
Johnson, Wis.
Jones, Ala.

Karsten
Karth
Kastenmeier
Kee
Kelly
Keogh
King, Calif.
Kirwan
Kluczynski
Landrum
Lankford
Leggett
Lesinski
Libonati
Long, La.
Long, Md.
McDade
McDowell
McFall
Macdonald
Madden
Matsunaga
Miller, Calif.
Mills
Minish
Monagan
Montoya
Moorhead
Morgan
Morris
Morrison
Morton
Moss
Multer
Murphy, Ill.
Natcher
Nedzi
Nix
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
Olsen, Mont.
Olson, Minn.
O'Neill
Patman
Patten
Pepper
Perkins
Philbin
Price
Pucinski
Rains
Randall
Reuss
Rhodes, Pa.
Rivers, Alaska
Roberts, Ala.
Rodino

Rogers, Colo.
Rogers, Fla.
Rooney
Roosevelt
Rosenthal
Rostenkowski
Roush
Roybal
Ryan, Mich.
Ryan, N.Y.
St Germain
St. Onge
Saylor
Secrest
Sennner
Shelley
Sheppard
Siekles
Sikes
Siler
Sisk
Slack
Smith, Iowa
Staebler
Staggers
Steed
Stephens
Stratton
Stubblefield
Sullivan
Taylor
Teague, Tex.
Thomas
Thompson, La.
Thompson, N.J.
Thompson, Tex.
Thornberry
Toll
Trimble
Tupper
Udall
Ullman
Van Deerlin
Vanik
Vinson
Watts
Weltner
Whalley
White
Wickersham
Willis
Wilson
Charles H.
Wright
Young
Zablocki

NAYS—209

Abblitt
Abele
Abernethy
Adair
Alger
Anderson
Andrews
Arends
Ashbrook
Ashmore
Auchincloss
Avery
Baldwin
Barry
Bates
Battin
Becker
Beermann
Belcher
Bell
Bennett, Fla.
Berry
Betts
Bolton
Bolton, P.
Bolton, Oliver P.
Bow
Brock
Bromwell
Broomfield
Broznan
Broynhill, N.C.
Broynhill, Va.
Bruce
Burlison
Burton
Byrnes, Wis.
Cahill
Cannon
Casey
Cederberg
Chamberlain
Chenoweth
Clancy
Clausen
Cleveland

Colmer
Cooley
Cramer
Cunningham
Curtin
Daguer
Davis, Ga.
Derounian
Derwinski
Devine
Dole
Dorn
Dowdy
Downing
Dwyer
Ellsworth
Findley
Fisher
Flynt
Ford
Foreman
Fountain
Frelinghuysen
Fuqua
Gary
Gathings
Gavin
Gibbons
Goodell
Goodling
Grant
Griffin
Gross
Grover
Gubser
Gurney
Haley
Hall
Halleck
Hardy
Harrison
Harvey, Ind.
Harvey, Mich.
Hebert
Herlong
Hoeven

Hoffman
Horan
Horton
Hosmer
Huddleston
Hull
Hutchinson
Jarman
Jennings
Jensen
Johansen
Jonas
Jones, Mo.
Kelt
Kilburn
Kilgore
King, N.Y.
Knox
Kornegay
Kunkel
Kyl
Laird
Langen
Latta
Lennon
Lindsay
Lipscomb
Lloyd
McClary
McCulloch
McIntire
McLoskey
McMillan
MacGregor
Mahon
Mailliard
Marsh
Martin, Calif.
Martin, Nebr.
Mathias
Matthews
May
Meader
Michel
Milliken
Minshall
Moore

Morse
Murray
Nelsen
Norblad
Nygaard
Osmer
Ostertag
Passman
Pelly
Pike
Plicher
Pillion
Pirnie
Poage
Poff
Pool
Purcell
Quie
Quillen
Reid, Ill.
Reid, N.Y.
Reifel
Rhodes, Ariz.
Rich

Riehlman
Roberts, Tex.
Robison
Rogers, Tex.
Roudebush
Rumsfeld
St. George
Schadeberg
Schenck
Schneebell
Schwelker
Schwengel
Selden
Short
Shriver
Sibal
Skubitz
Smith, Calif.
Smith, Va.
Snyder
Springer
Stafford
Stinson
Taft

Talcott
Teague, Calif.
Thomson, Wis.
Tollefson
Tuck
Tuten
Utt
Van Pelt
Waggonner
Watson
Weaver
Westland
Wharton
Whitener
Whitten
Wildnall
Williams
Wilson, Bob
Wilson, Ind.
Winstead
Wyder
Younger

ANSWERED "PRESENT"—1

O'Konski

NOT VOTING—18

Ayres
Baring
Brown, Ohio
Collier
Conte
Davis, Tenn.

Forrester
Martin, Mass.
Miller, N.Y.
Mosher
Murphy, N.Y.
O'Brien, Ill.

Powell
Rivers, S.C.
Scott
Shipley
Wallhauser
Wyman

So the bill was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. O'Konski for, with Mr. Brown of Ohio against.

Mr. Murphy of New York for, with Mr. Davis of Tennessee against.

Mr. O'Brien of Illinois for, with Mr. Collier against.

Mr. Shipley for, with Mr. Wallhauser against.

Mr. Powell for, with Mr. Conte against.

Until further notice:

Mr. Baring with Mr. Wyman.

Mr. Forrester with Mr. Mosher.

Mr. Rivers of South Carolina with Mr. Miller of New York.

Mr. Scott with Mr. Martin of Massachusetts.

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

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

Mr. O'KONSKI. Mr. Speaker, I have a live pair with the gentleman from Ohio [Mr. Brown] who is in the hospital. If he were present he would have voted "nay." I voted "yea." Therefore, 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.

GENERAL LEAVE TO EXTEND

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members speaking on the bill today have permission to revise and extend their remarks and to include extraneous matter.

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

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that those Members who did not speak on the bill have permission to extend their remarks in the RECORD on the area redevelopment amendments.

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

There was no objection.

GRASSROOTS OPINION ON CUBA

(Mr. DEROUNIAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter not to exceed one page.)

Mr. DEROUNIAN. Mr. Speaker, I am pleased to include herewith an editorial from one of my district's outstanding weekly newspapers, the Manhasset Mail, as it appeared in the issue of June 6, 1963.

There is no doubt that not only the people in my congressional district but the overwhelming majority of the American people resent the status quo on Cuba and realize the Communist danger far more than does the President of the United States:

GRASSROOTS OPINION ON CUBA

When Congressman STEVEN DEROUNIAN told a Memorial Day audience that America was in grave danger because of the Soviet buildup in Cuba, he wasn't making a political speech, for his warning was based on the alarming reports of the Preparedness Investigating Subcommittee, headed by Senator JOHN STENNIS, of Mississippi, and staffed by a bipartisan group of Senators including STUART SYMINGTON, Missouri; HENRY M. JACKSON, Washington; STROM THURMOND, South Carolina; LEVERETT SALTONSTALL, Massachusetts; MARGARET CHASE SMITH, Maine; and BARRY GOLDWATER, of Arizona.

We do not have space here to quote the 34-page report in full, but after having read the report, we are in full agreement with Congressman DEROUNIAN that America is in great danger. Not only are we in great danger now, but the danger will grow greater as time goes on and as long as Soviet soldiers and weapons remain in Cuba. Before you read further, look at the map, right, and note the strategic importance of Cuba as it straddles the entrance to the Gulf of Mexico.

How many Russians are in Cuba now? The Stennis report says that some sources, primarily exile and refugee groups, estimate that as many as 40,000 Soviets are now in Cuba. The subcommittee is of the opinion that the official 17,500 estimate is perhaps a minimum figure.

Have all Soviet missiles been withdrawn from Cuba? The report says that refugee and exile reports continue to insist that thousands of caves and underground caverns in Cuba are being utilized to store and conceal strategic missiles and weapons.

Note the reference to "refugee and exile reports."

The failure of American intelligence to conclude that strategic missiles had been introduced into Cuba, prior to the receipt of photographic evidence on October 14, says the report, "was due to the fact that the intelligence analysts were strongly influenced by their judgment as to Soviet policy, and indications that strategic missiles were being installed were not given proper weight by the intelligence community."

Then the report continues: "A contributing factor to this was the tendency on the part of the intelligence people to discredit and downgrade the reports of Cuban refugees and exiles."

Today, Cuban exiles and refugees insist that Cuba is reinforcing caverns, storing weapons in them, and that the Soviets are building a large submarine base in Cuba. There are also reports that Soviet ships are unloading cargo and men at night under conditions of Soviet-imposed security. Further, the Stennis report says "the intelligence community does not believe it has sufficient

concrete evidence to estimate any reduction in overall Soviet military capability on the island. There is no evidence that any of the combat troops associated with the four armored groups have been withdrawn."

Far more significant than any comment which we can make is the summary of the subcommittee's report, which follows:

1. Cuba is an advanced Soviet base for subversive, revolutionary and agitational activities in the Western Hemisphere and affords the opportunity to export agents, funds, arms, ammunition, and propaganda throughout Latin America.

2. Assuming without deciding that all strategic weapons have been withdrawn, there is the ever-present possibility of the stealthy reintroduction of strategic missiles and other offensive weapons, using the Soviet forces still in Cuba as camouflage and security for the activity.

3. Cuba serves as an advance intelligence base for the U.S.S.R.

4. The potential exists to establish electronic warfare capabilities based on Cuba.

5. The vital Panama Canal could be the target for sneak raids originating from Cuba.

6. Potentially, Cuba is a base from which the Soviets could interdict our vital air and sea lanes. It can now be used for the air, sea, and electronic surveillance of our military activities in the Southeast United States and the Caribbean.

7. Cuba's airfields could serve as recovery air bases for planes launched against the United States from the Soviet Union.

8. Advanced Soviet submarine bases could be established in Cuban ports with very little effort.

9. The continued presence of the Soviets in Cuba could require a further reorientation of the U.S. air defenses.

10. Cuba provides a base for the training of agents from other Latin American countries in subversive, revolutionary, agitational, and sabotage techniques.

11. The very presence of the Soviets in Cuba affects adversely our Nation's image and prestige. Our friends abroad will understandably doubt our ability to meet and defeat the forces of communism thousands of miles across the ocean if we prove unable to cope with the Communist threat at our very doorstep.

"A consideration of all these matters serves to emphasize the gravity of the threat to our national security which Cuba now represents," the report concludes.

The Soviets are in Cuba to stay, and the chance for internal revolt and the overthrow of the Communist regime is virtually nil, according to those who should know. Had the Bay of Pigs invasion been carried out with sufficient force and air power, the threat of Cuba to our security might not exist today; but exist it does, and it will not go away by wishing it away. The Cuban people are not going to overthrow their Communist regime for the simple reason that they are virtually powerless to do so. Therefore, some other action is necessary.

What is to be done?

We hold that the only way to get rid of Castro and communism in Cuba is to throw them out. We are not qualified to say how this can be accomplished, but it has to be done and done soon, or we will find ourselves embroiled in another full-scale war. Should we take action against Cuba, Khrushchev may fight right now, to the last Cuban, but it is doubtful that he will make war on the United States until he thinks he can win; and if his buildup in Cuba and South America is permitted to continue unchecked, then he will be in a strong position, and our position will be vulnerable. The Soviet will make war on us as soon as they are sure they can win. We cannot and must not give them that opportunity.

The time for action is now. The Soviets should be given a time limit to get their

men and weapons out of Cuba; a real blockade, with teeth in it, should be set up, and every possible economic sanction should be imposed upon Cuba.

Threats mean nothing to the Soviets. They fear and respect strength and power. We've got both. Let's use them before it's too late.

REGULATED INVESTMENT COMPANIES

(Mr. KEOGH asked and was given permission to extend his remarks at this point in the Record.)

Mr. KEOGH. Mr. Speaker, this memorandum is submitted in support of a bill I introduced today—H.R. 6995—an amendment to subchapter M of the code, so as to permit regulated investment companies 45 days, instead of 30 days, after the close of their taxable years to mail to their stockholders the various designations required under subchapter M. The request is prompted by the Securities and Exchange Commission's recent change in its rules to grant these companies 45 days, instead of 30 as previously, for mailing to shareholders their annual reports and financial statements.

Regulated investment companies serve principally to enable investors of moderate means to secure diversification of risk and experienced professional counsel in managing their investments—see Senate Report No. 1021, 86th Congress, 2d session, 1960; House of Representatives Report No. 1080, 86th Congress, 1st session, 1959. A survey conducted by the Investment Company Institute in 1961 and 1962 among the approximately 3 million shareholders of its member companies—the institute's members include 169 regulated investment companies of the open end type, whose assets comprise an estimated 94 percent of the assets of all such companies taxable under subchapter M; it is believed that its members hold over 80 percent of the assets of all regulated investment companies, both open end and closed end, affected by the amendments proposed herein—showed that the median shareholder had a family income of approximately \$8,500, while the value of his mutual fund holdings was about \$5,000.

Subchapter M provides a special system of taxation for regulated investment companies and their shareholders. Its essential feature is that the company must distribute currently at least 90 percent of its ordinary income, exclusive of capital gains. If it does the amounts distributed, as well as any amounts it distributes out of its realized capital gains, may be deducted in computing the company's taxable income. The shareholder in turn is entitled to treat distributions out of realized capital gains as long-term capital gain on his own return.

As part of this system subchapter M requires the company each year to send a series of notices to its shareholders. These designations indicate the pro rata shares of the various items of corporate income and credit the shareholders are to take into account directly, on their own returns, and conclusively establish the amounts of these items for purposes of the shareholders' tax liability. The

code now provides that all of these designations must be mailed within 30 days after the close of the company's taxable year—See sections 852(b)(3)(C), distributed capital gains; 852(b)(3)(D)(i), undistributed capital gains; 853(c), credit for foreign taxes; 854(b)(2), income dividends eligible for credit, exclusion and deduction; 855(c), notice for dividends declared and paid after close of taxable year.

This 30-day time limit for mailing designations was initially adopted in 1942—Revenue Act of 1942, section 170(a). At that time it conformed with the rule the Securities and Exchange Commission had previously adopted, under the Investment Company Act of 1940, requiring a regulated investment company to mail its annual report and financial statements to its shareholders within 30 days after the close of its fiscal year—Rule 30d-1, as adopted in Investment Company Act Release No. 40, effective January 2, 1941, 6 Federal Register 74, 1941. Combining the tax designations and annual reports in a single mailing makes possible obvious savings in mailing expense and paperwork, as well as affording the shareholders the convenience of receiving all of their information at one time. Many regulated investment companies have taken advantage of this possibility; some have even included their income tax designations in the text of their annual reports, as illustrated by the reports attached as exhibits to this memorandum.

Effective December 17, 1962, the SEC has amended its rule 30d-1 to extend to 45 days the time for mailing reports thereunder—Investment Company Act Release No. 3574, 27 Federal Register 11639, 1962. This change was prompted by the Commission's recognition of the desirability of allowing more time for the various companies' independent public accountants to prepare the detailed financial statements which these reports must include, and of the expenses that could be saved if less overtime were required in their preparation and printing.

If the regulated investment companies are to make use of the Commission's extension, and are also to be able to continue the economy and convenience of making their subchapter M designations in or with their annual reports, a corresponding change should be made in the time limits of the code.

Extending the time for mailing subchapter M's notices of designation would in no way inconvenience shareholders in preparing their individual tax returns, nor interfere with the timely filing of such returns. As already noted, the 30-day time limit for designations was first adopted in 1942—Revenue Act of 1942, section 170(a)—at that time individual tax returns were due on March 15 of the following year. Thus for the typical individual who held shares in a regulated investment company on a calendar year, the notice supplying the information he needed for his return reached him on or immediately after January 30, some 45 days before the return's due date. However, since the Internal Revenue Code of 1954, the due date for individuals' tax returns has of course been