

1960

CONGRESSIONAL RECORD — SENATE

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Departments of Labor, and Health, Education, and Welfare, and Related Agencies Appropriation Act, 1961 (H.R. 11390)—Continued

[Figures in parentheses not added in totals]

	Appropriations, 1960	Budget esti- mates, 1961	House allow- ance	Senate allow- ance	Conference allowance
RELATED AGENCIES					
National Labor Relations Board.....	\$15,280,000	\$17,300,000	\$17,300,000	\$17,300,000	\$17,300,000
National Mediation Board.....	1,437,000	1,555,000	1,522,500	1,555,000	1,555,000
Railroad Retirement Board (trust funds).....	(9,460,000)	(9,485,000)	(9,485,000)	(9,485,000)	(9,485,000)
Federal Mediation and Conciliation Service.....	3,905,400	4,093,000	3,905,400	4,093,000	3,905,400
Interstate Commission on the Potomac River Basin.....	5,000	5,000	5,000	5,000	5,000
U.S. Soldiers' Home (trust funds).....	(11,008,000)	(5,664,000)	(5,664,000)	(5,664,000)	(5,664,000)
Total, direct appropriations, all titles of the bill.....	4,000,980,481	3,951,953,981	4,180,773,731	4,482,539,931	4,350,921,331
Total, indefinite appropriations, all titles of the bill.....	64,302,000	68,268,000	3,249,000	3,249,000	3,249,000
Grand total.....	4,065,282,481	4,020,221,981	4,184,022,731	4,485,788,931	4,354,170,331

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12580) to extend and improve coverage under the Federal old-age, survivors, and disability insurance system and to remove hardships and inequities, improve the financing of the trust funds, and provide disability benefits to additional individuals under such system; to provide grants to States for medical care for aged individuals of low income; to amend the public assistance and maternal and child welfare provisions of the Social Security Act; to improve the unemployment compensation provisions of such act; and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 7242) to amend sections 1, 57j, 64a(5), 67b, 67c, and 70c of the Bankruptcy Act, and for other

HEALTH BENEFITS PROGRAM FOR CERTAIN RETIRED GOVERNMENT EMPLOYEES

Mr. JOHNSTON of South Carolina. Mr. President, I ask the Presiding Officer to lay before the Senate the amendment of the House of Representatives to S. 2575.

The Presiding Officer laid before the Senate the amendment of the House of Representatives to the bill (S. 2575) to provide a health benefits program for certain retired employees of the Government, which was to strike out all after the enacting clause and insert:

That this Act may be cited as the "Retired Federal Employees Health Benefits Act".

DEFINITIONS

Sec. 2. As used in this Act—

(1) The terms "employee", "Government", "member of family", and "Commission" have the same meanings, when used in this Act as such terms have when used in the Federal Employees Health Benefits Act of 1959.

(2) "Health benefits plan" means an insurance policy or contract, medical or hospital service arrangement, membership or subscription contract, or similar agreement

provided by a carrier for a stated periodic premium or subscription charge for the purpose of providing, paying for, or reimbursing expenses for hospital care, surgical or medical diagnosis, care, and treatment, drugs and medicines, remedial care, or other medical supplies and services, or any combination of these.

(3) "Retired employee" means any person who would be an annuitant as that term is defined in the Federal Employees Health Benefits Act of 1959 if the contribution and enrollment provisions of that Act had been in effect on the date the person became an annuitant, but does not include any person who was a noncitizen whose permanent-duty station was outside a State of the United States or the District of Columbia on the day before he became an annuitant.

(4) "Carrier" means a voluntary association, corporation, partnership, or other non-governmental organization which lawfully offers a health benefits plan.

GOVERNMENT-WIDE PLAN

Sec. 3. (a) The Commission shall, without regard to section 3709 of the Revised Statutes or any other provision of law requiring competitive bidding, enter into a contract with a qualified carrier for one uniform Government-wide health benefits plan for retired employees. Such contract shall be for a period of at least one year and shall be automatically renewable in the absence of notice of termination by either party. The carrier shall, if the Commission so directs, cede reinsurance to such other companies which regularly issue group health insurance as may elect to participate or shall allocate its rights and obligations under the contract among such of its affiliates as may elect to participate in accordance with an equitable formula to be determined by the carrier and approved by the Commission. The contracting carrier, if an insurance company, shall be licensed to issue group health insurance in all the States of the United States and the District of Columbia and shall, in the most recent year for which data are available, have made at least 1 per centum of all group health insurance benefit payments in the United States.

(b) The contract under this Act shall contain a detailed statement of the benefits offered and shall include such maximums, limitations, exclusions, and other definitions of benefits as the Commission may deem necessary or desirable. No person may be excluded because of race, sex, health status, or age, and the contract may not deny or limit benefits because of any pre-existing condition.

(c) The rates charged for the health benefits plan described in subsection (a) of this section shall reasonably and equitably reflect the cost of the benefits provided. Rates determined for the first term shall be adjusted for subsequent terms on the basis of experience. The Commission shall prescribe the extent to which reserves due to favorable

experience may be retained by the carrier. Such reserves shall in any case be retained for the benefit of retired employees enrolled thereunder, and members of their families.

CONTRIBUTIONS

SEC. 4. (a) If a retired employee enrolls in the health benefits plan provided for by section 3 of this Act, the Government shall contribute toward his subscription charge such amounts as the Commission by regulation may from time to time prescribe. The amount so prescribed, if the employee is enrolled for self only, shall not be less than \$3.00 monthly or more than \$4.00 monthly. The amount to be prescribed for a retired employee enrolled for self and family shall be twice the contribution for one enrolled for self only. A retired employee may not receive a Government contribution for more than one plan, nor may a retired employee receive a Government contribution if he is covered under the enrollment of another employee or retired employee who is receiving a Government contribution toward his enrollment.

(b) In addition, the Government shall contribute an amount, as prescribed by the Commission, up to 2 per centum of each contribution authorized by subsection (a) of this section to the Retired Employees Health Benefits Fund, for payment of expenses incurred by the Commission in administering this Act.

WITHHOLDING

Sec. 5. There shall be withheld from the annuity or compensation of each retired employee enrolled in the health benefits plan provided for under section 3 of this Act so much as is necessary, after deducting the contribution of the Government, to pay the total charge for his enrollment.

OTHER HEALTH BENEFITS PLANS

Sec. 6. (a) Subject to subsection (b) of this section, a retired employee who elects to obtain a health benefits plan, or to retain an existing health benefits plan, other than the plan provided for under section 3 of this Act, directly with a carrier, shall be paid a Government contribution to the cost of his health benefits plan which shall be equal in amount to the appropriate Government contributions established by the Commission pursuant to section 4(a) of this Act, but may not exceed the cost to him of the health benefits plan in which he is enrolled or which he retains or, if the plan combines health benefits with other benefits, shall not exceed the cost to him of the premium fixed by the carrier for the health benefits portion of the plan in which he is enrolled or which he retains. A retired employee may not receive a Government contribution for more than one plan, nor may a retired employee receive a Government contribution if he is covered under the enrollment of another employee or retired employee who is receiving a Government contribution toward his enrollment.

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(b) A retired employee who enrolls in a plan shall be entitled to the Government contribution provided by this section only if the carrier of the plan (1) has been providing health benefits for at least one year and (2), if an insurance company, is licensed to issue individual or group health insurance in all the States of the United States and the District of Columbia. Clause (2) of the immediately preceding sentence shall not apply to enrollment in a plan sponsored by an association or other organization more than 50 per centum of the members of which are Federal employees or former Federal employees.

(c) In addition, the Government shall contribute an amount, as prescribed by the Commission, up to 2 per centum of each contribution authorized by subsection (a) of this section to the Retired Employees Health Benefits Fund, for payment of expenses incurred by the Commission in administering this Act.

ELECTIONS

Sec. 7. Each retired employee shall, within such time after March 1, 1961, as the Commission shall prescribe, notify the Commission of his election (1) to enroll in the plan provided under section 3 of this Act, (2) to enroll in or retain another health benefits plan and receive Government contributions under section 6 of this Act, or (3) not to participate in the program offered under this Act. If the retired employee elects to enroll under clause (2) of this section, his election shall be accompanied by a certificate of the carrier certifying the fact of his enrollment and the cost to him of the health benefits plan, or of the health benefits portion of the plan.

RETIRED EMPLOYEES HEALTH BENEFITS FUND

Sec. 8. (a) The withholdings of retired employees under section 5 of this Act and the contributions of the Government under sections 4 and 6 of this Act shall be deposited in the Retired Employees Health Benefits Fund, hereinafter referred to as the "Fund", which is hereby created and which shall be administered by the Commission.

(b) The Fund shall be available without fiscal year limitation for all payments on account of the health benefits plan negotiated under section 3 of this Act, for payment of the Government's contribution provided for by section 6(a) of this Act to agencies of the Government which administer a retirement system for civilian employees of the Government, and for payment of expenses, not to exceed the Government's contributions authorized by sections 4(b) and 6(b) of this Act, incurred by the Commission in administering this Act.

(c) Any dividends or other refunds made by the carrier under section 3 of this Act shall be set aside in the Fund as a contingency reserve for the Government-wide plan. Such contingency reserve may be used to defray increases in future rates of or to reduce the retired employees' and the Government's contributions to, or to increase the health benefits provided by that plan, as the Commission may from time to time determine.

(d) The Secretary of the Treasury is authorized to invest and reinvest any of the moneys in the Fund in interest-bearing obligations of the United States for the purposes of the Fund. The interest on and the proceeds from the sale of any such obligations shall become a part of the Fund.

ADMINISTRATION

Sec. 9. (a) The Commission shall administer this Act and prescribe such regulations as are necessary to give full effect to the purposes of this Act.

(b) Such regulations shall fix minimum standards to be met by the carrier and the plan under section 3 of this Act, including

extensions of coverage to be provided. The Commission may request all carriers to furnish such reasonable reports as the Commission determines to be necessary to enable it to carry out its functions under this Act. The carrier shall furnish such reports when requested and permit the Commission and representatives of the General Accounting Office to examine such records of the carriers as may be necessary to carry out the purposes of this Act.

(c) The Commission's regulations may include, but are not limited to, the following:

(1) exclusions of retired employees from coverage;

(2) beginning and ending dates of coverage, and conditions of eligibility;

(3) methods of filing the elections required by section 7 of this Act and other information;

(4) methods of making contributions authorized by section 6, and withholdings required by section 5 of this Act;

(5) changes in enrollment;

(6) questions of dependency;

(7) certificates and other information to be furnished to retired employees;

(8) contributions and withholding during periods of suspension of annuity payments and in other extraordinary situations;

(9) when, and under what conditions, an election not to participate in the programs offered under this Act may be withdrawn; and

(10) under what conditions and to what extent the cost of a plan shall be considered a cost attributable to the retired employee.

(d) Each agency of the United States or District of Columbia which administers a retirement system for annuitants shall keep such records, make such certifications, and furnish the Commission with such information and reports as may be necessary to enable the Commission to carry out its functions under this Act.

(e) There are hereby authorized to be expended from the Employees Life Insurance Fund, without regard to limitations on expenditures from that Fund, for any fiscal years from the date of enactment through the fiscal year ending June 30, 1962, inclusive, such sums as may be necessary to pay administrative expenses incurred by the Commission in carrying out the health benefits provisions of this Act. Reimbursements to the Employees Life Insurance Fund for sums so expended, together with interest at a rate to be determined by the Secretary of the Treasury, shall be made from the Retired Employees Health Benefits Fund which is hereby made available for this purpose.

EXEMPTION OF CERTAIN EMPLOYEE ORGANIZATIONS

Sec. 10. Any employee organization under this Act or as defined in section 2(i) of the Federal Employees Health Benefits Act of 1959 (73 Stat. 710; 5 U.S.C. 3003(3)) shall be exempt from the provisions of the Fire and Casualty Act (54 Stat. 1063; D.C. Code 35-1301 and the following).

APPROPRIATIONS

Sec. 11. The amounts authorized by this Act to be contributed by the Government shall be paid from annual appropriations which are hereby authorized to be made for such purpose.

ANNUAL REPORT

Sec. 12. The Commission shall transmit to the Congress annually a report concerning the operation of this Act.

EFFECTIVE DATE

Sec. 13. The health benefits program provided for by this Act shall take effect July 1, 1961. The contributions and withholdings provided for by this Act shall take effect on June 1, 1961, with respect to annuity or compensation accruing for periods beginning on and after that date.

Mr. JOHNSTON of South Carolina. Mr. President, I move that the Senate concur in the amendment of the House to the bill (S. 2575), to provide a health benefits program for certain retired employees of the Government, with the following amendments:

On page 11, strike out lines 3 through 8 of the House amendment and renumber sections 11 to 13, inclusive, as 10 to 12, respectively.

Mr. President, S. 2575, approved in the Senate on May 5, 1960, was designed to provide a health benefits program for the 450,000 former employees then on the retirement rolls. The Federal Employees Health Benefits Act of 1959 provided such a program for active employees and employees who will retire in the future, but it did not apply to former employees already retired.

The committee was unanimous in its belief that these former employees were entitled to the same sympathetic consideration as present employees will receive when they retire. However, because of the problems involved, it was deemed advisable to provide a program for retirees in a separate bill.

The bill as passed in the Senate and as amended in the House does not differ as to objective. The language is different and some of the technical aspects of the program are handled differently, but in general the differences are not of major consequence.

There is one exception that is worthy of mention. The bill passed in the Senate would have become effective January 1, 1961. Because of opposition by the administration this was changed in the House to July 1, 1961. I regret that due to the position of the administration this delay was necessary. For this reason, I think the Senate would be well advised to accept the bill as amended in the House except for the amendment I have offered.

The amendment deletes from the a section that has nothing to do with providing a health benefits program for persons already retired. It relates to another problem entirely. As a matter of fact, the problem to which it relates is within the jurisdiction of the District Committee.

I have in my hand a letter from the chairman of the District of Columbia Committee in which he requests adoption of the amendment dealing with the District matter with respect to which I have just made a motion. I should like to have his letter printed in the Record at this point in my remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. SENATE,
COMMITTEE ON THE DISTRICT
OF COLUMBIA,
August 25, 1960.

Hon. OLIN D. JOHNSTON,
Chairman, Senate Post Office and Civil Service Committee, Senate Office Building,
Washington, D.C.

DEAR OLIN: This is in further reference to my letter of August 23 advising your committee of the unfavorable report filed by this committee with reference to section 3 of H.R. 8289, concerning whether or not certain Federal employee organizations

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should be exempt from the insurance laws of the District of Columbia.

Since the identical language of section 3 of H.R. 8289, exempting certain Federal employee organizations from District of Columbia insurance laws, is likewise contained in section 10 of S. 2575, as amended by the House, and now before the Senate, please be advised that this committee will be constrained to file an objection to the passage of S. 2575 with the inclusion of section 10.

This committee has consistently taken the position on all similarly related legislation, that insurance companies in the District of Columbia should come within the purview of the insurance laws of the District of Columbia.

Please accept my best wishes.

Cordially,

ALAN BIBLE.

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

Mr. JOHNSTON of South Carolina. I should like to say for the information of the Senate that the bill has been cleared through the Democratic policy committee and also the Republican policy committee. The ranking Republican member of the committee, the junior Senator from Kansas [Mr. CARLSON] is in the Chamber at this time and I think he would like to say something. I yield to him.

Mr. CARLSON. Mr. President, I hope the Senate will approve the motion of the Senator from South Carolina to concur in the House amendment with certain amendments, proposed by the chairman of the Committee on Post Office and Civil Service. We discussed this matter in committee, and I believe the retired employees last year were very greatly disappointed that they were not included in the Health Benefits Act of 1959. They felt that they were discriminated against, and I think rightly so.

The Federal Employees Health Benefits Act of 1959 provided a worthwhile and long-overdue program, of prepaid health benefits for persons on the roll and employees with specified length of service who retired after the effective date of the bill.

The bill became effective in July of this year. Employees who retired prior to the effective date of the bill and former employees already on the retirement roll were not covered. The pending measure is designed to provide a health benefit program along comparable lines to these former retirees and these former employees already retired.

I am happy to be able to support the pending bill for I think it is long overdue. Furthermore, I think that these former retirees are entitled to the same consideration from the Government as present employees who will retire in the future.

Mr. JOHNSTON of South Carolina. I thank the Senator from Kansas for his remarks.

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

Mr. JOHNSTON of South Carolina. I yield to the Senator from North Carolina.

Mr. JORDAN. Mr. President, the measure under consideration will extend to our 415,000 former employees now

on the retirement roll a health benefits program somewhat comparable to the plan adopted last year for active employees and employees who will retire in the future.

The original Senate bill and the bill as amended in the House, while containing somewhat different language, have the same objective. This is not the time to quibble over words. For this reason, I am happy to support the bill as amended in the House. The important thing to me is the fact that we are on the verge of enacting a long-overdue health benefits plan for our retirees.

I am glad to support the measure at this time.

Mr. JOHNSTON of South Carolina. I thank the Senator.

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

Mr. JOHNSTON of South Carolina. I yield to the Senator from Texas, who is a member of the subcommittee.

Mr. YARBOROUGH. Mr. President, I rise in support of the pending motion, having been a member of the subcommittee which held the original hearings. I wish to pay tribute particularly to the distinguished senior Senator from South Carolina and to the late Richard Neuberger, of Oregon. Their leadership was vital in the final completion of the measure before the Senate Post Office and Civil Service Committee.

At the time the general health and retirement bill for Federal employees was passed, the retired employees felt very keenly that they had been excluded from the law. Actually, Congress and the committee were sympathetic to their claims, but actually, due to their age, it was not feasible to include them in the same type of hospitalization plan that was available for Federal officials and employees generally.

Additional hearings had to be held. Additional actuarial statistics were prepared, on the basis of the age of the retired employees, and a different plan was devised. It is not quite as favorable as the plan for Federal employees, because the retired employees are not young enough to receive the benefits of the more favorable terms that younger people could obtain. We were forced to defer consideration of this measure.

Though the general Federal Employees Retirement Act was effective on July 1 of this year, the effective date of the present measure was deferred until 1961 because of the problem of first setting up the fund and getting the plan into operation to cover the more than 400,000 retired Federal employees, who by deductions from their retirement pay, will themselves contribute to the fund. It will be a type of medical care insurance similar to that the Federal employees have. Money will be deducted from the checks of retired employees every month in order to pay their part.

I am grateful for the privilege of serving on this committee under the leadership of the distinguished Senator from South Carolina, whose drive has meant so much in carrying this plan forward, to see that these elderly people receive

the measure of justice to which they are entitled.

I again wish to pay tribute to him and to the late Senator Neuberger, who did so much on the bill to see that it was brought to the stage that it had reached before he was untimely taken away from us.

Mr. JAVITS. Mr. President, I am gratified that this problem is being resolved. We have a very large population of both civil service employees and retired employees in New York State. Many of them have been interested in the subject, and we have had a deal of correspondence on it. The Senator's initiative in trying to resolve the problem will be very widely appreciated, and I thank the Senator.

Mr. JOHNSTON of South Carolina. I thank the Senator from New York, and also the Senator from Texas [Mr. YARBOROUGH], who has spoken. He worked tirelessly on the bill in committee. He should be given a great deal of the credit for the passage of the bill.

I wish to thank also every member of the committee, both Democrat and Republican. They were unanimous in this matter. It was not an easy task, when we consider the great number of people who are involved, to determine how to draw up a health benefits program. That is why it will take a great deal of study from the administrative end in order to put it into effect, and that is why it is necessary to have it go into effect on July 1 of next year.

Mr. CARLSON. Mr. President, the Senator from South Carolina has complimented the members of the committee, both majority and minority members. I wish to compliment him for his outstanding leadership. I wish also to compliment the staff for its excellent staff work. We have also had support from the Civil Service Committee. It was a difficult bill to write. We should be proud of the fact that we have been able to get to a resolution of the problem.

Mr. JOHNSTON of South Carolina. I thank the Senator, the ranking minority member of the committee, for his remarks. I, too, agree thoroughly that the staff work has been excellent. After we adjourned last year the staff continued their work. They should be commended for their work. Sometimes we have a tendency to forget those laborers who are not Senators or Representatives. They do faithful work behind closed doors in the committee. I, too, therefore, wish to commend the staff for its work on this matter.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The question is on agreeing to the amendment offered by the senior Senator from South Carolina to the amendment of the House of Representatives.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on concurring in the amendment of the House, as amended by the amendment of the Senator from South Carolina.

The amendment of the House, as amended, was concurred in.

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VISIT TO THE SENATE BY HON.
ELLEN STRANGE PETERSEN, MEM-
BER OF PARLIAMENT OF DEN-
MARK

Mr. MORSE. Mr. President, as a member of the Foreign Relations Committee, it is my privilege and honor to present to the Senate this afternoon a visiting parliamentarian from a very friendly nation and great ally of ours, Denmark. Our visitor this afternoon is 1 of 19 women in the Denmark Parliament of 179 Members. She has been in the Parliament since 1958. It is my pleasure to present to the Senate Miss Ellen Strange Petersen, of the Denmark Parliament. [Applause, Senators rising.]

PROPOSED AMENDMENT OF RULE
III AND RULE VII OF THE STAND-
ING RULES OF THE SENATE

Mr. CLARK. Mr. President, I send to the desk for appropriate referral two resolutions, one amending paragraph 1 of rule III of the Standing Rules of the Senate, and the other amending rule VII of the Standing Rules of the Senate, by adding an additional paragraph. I ask that the resolutions may be appropriately referred.

The first resolution would eliminate the requirement that the Journal of the preceding day be read if one Senator requests it, and the second would regulate the transaction of morning business to provide a regular morning hour for such business each day and limit individual speeches during the morning hour to 3 minutes each.

The rule that the Journal of the preceding day be read if one Senator requests it is a complete anachronism. The rule was established long before the Government Printing Office perfected the art of printing each day's proceedings within a few hours of adjournment. There is absolutely no reason why any Senator should demand the reading of the previous day's Journal under existing circumstances.

All Senators will recall occasions on which the reading of the Journal has been used to delay for several hours the Senate's consideration of urgent legislative matters. All Senators will recall other occasions on which the leadership has been forced to recess the Senate at the end of a day rather than adjourn it so that it will not be possible for a dissident Member to ask for the Journal reading the following morning and delay the debate on an important measure. The present Journal reading rule serves no valid purpose and should be amended.

The other rule change I am suggesting today—to regulate the transaction of morning business—is also intended to speed Senate business. The term "morning hour" is a misnomer under our present practice. It is well known that 2 hours, from noon to 2 p.m., are frequently used for morning business on new legislative days. I suggest that we limit morning business to 1 hour daily, unless a majority of Senators vote to extend the period, and that the 3-minute limit on individual speeches which is a custom now honored as much in

the breach as in the observance, be written into the Senate rules. The morning hour is a valuable and appropriate time for the delivery of remarks by Senators on current events and other miscellaneous business. My proposed rule would make it impossible for one Senator to block the holding of a morning hour daily even if the Senate is meeting in recessed or continuous session, and yet it would curtail the overall time spent on matters nongermane to the pending bill or resolution.

I ask unanimous consent that the resolutions I have introduced may lie on the table until the close of Senate business on Monday of next week, in order that additional Senators who may desire to do so may have the opportunity to cosponsor the resolutions.

The PRESIDING OFFICER. The resolution will be received and appropriately referred and, without objection, the resolution will lie on the desk, as requested by the Senator from Pennsylvania.

The resolution (S. Res. 377) was referred to the Committee on Rules and Administration, as follows:

Resolved, That paragraph numbered 1 of rule III of the Standing Rules of the Senate (relating to the commencement of daily sessions) is amended to read as follows: "The Presiding Officer having taken the chair, and a quorum being present, motions to correct any mistakes made in the entries of the Journal of the preceding day shall be in order, and any such motion shall be deemed a privileged question, and proceeded with until disposed of. Unless a motion to read the Journal of the preceding day, which is nondebatable, is made and passed by majority vote, the Journal shall be deemed to have been read without actual recitation and approved."

The PRESIDING OFFICER. The resolution will be received and appropriately referred; and, without objection, the resolution will lie on the desk, as requested by the Senator from Pennsylvania.

The resolution (S. Res. 378) was referred to the Committee on Rules and Administration, as follows:

Resolved, That rule VII of the Standing Rules of the Senate (relating to morning business) is amended by adding at the end thereof the following new paragraph:

"8. One hour, if that much time be needed, shall be set aside for the transaction of morning business on each calendar day at the opening of proceedings or, if the Senate is in continuous, around-the-clock session, at noon. The period for morning business may be extended upon motion, which shall be nondebatable, approved by majority action. No Senator may address the Senate for more than three minutes during the period for morning business, unless he has obtained leave by unanimous consent to address the Senate for a longer time."

AREA REDEVELOPMENT HEARINGS

Mr. DOUGLAS. Mr. President, the Republican administration, through its spokesman, Secretary of Commerce Mueller, has again vetoed our efforts to enact an effective area redevelopment law.

In testimony before the Senate Subcommittee on Production and Stabilization on August 18, the administration

closed the door on any chances we may have had to salvage a good bill in this Congress:

First. Secretary of Commerce Mueller took a take-it-or-leave-it attitude toward the administration's veto earlier this year.

Second. The ranking Republican member of the committee, Senator CAPEHART, stated in reference to the administration's own legislative proposals, "I am opposed to the legislation."

Third. The Republican Party is obviously playing politics with the issue by releasing incorrect information and half truths through political candidates.

At the hearings held recently, I stated:

I am still willing to negotiate with administration representatives who are authorized to speak for the administration. If there is an administration spokesman who can tell us (1) whether the President would sign an effective bill into law at this time, and (2) whether the administration would lend active and timely assistance in lining up Republican congressional support, such as on the House Rules Committee, to ensure passage of the bill, then we might succeed in an 11th-hour effort to pass a bill this year.

Otherwise, it would be unfair to hold out hope at this time to the thousands of Americans in areas of substantial and persistent unemployment who have been waiting for us to find some meaningful and responsible way of overcoming Presidential vetoes of area redevelopment bills.

The hearings proved conclusively that the administration would rather have no bill at all than to give an inch on the following important features of the area redevelopment bill:

First. The administration refuses any kind of assistance to distressed rural areas.

Second. The administration was opposed to any loan program for public facilities such as industrial water and industrial parks. The only program they would back is the one now being administered by the Housing and Home Finance Agency, which is a high interest rate program that was never intended to promote industrial redevelopment.

Third. The administration opposed any grants for public facilities for communities that are too distressed to finance a loan program in whole or in part.

Fourth. The administration is opposed to any Government loan in excess of 35 percent of the value of land and buildings, even though it must know that this limitation makes its loan program an empty gesture in many communities.

Fifth. The administration refuses to include machinery and equipment in planning for industrial redevelopment, even though, according to the administration's own figures, the cost of equipment is 60 percent of the total.

Sixth. The administration is blind to the realities of the retraining problem by refusing to authorize subsistence payments for the unemployed while undergoing retraining.

Moreover, in addition to the substance of the bill, the Secretary of Commerce refused to pledge any cooperation in seeking the support of the Republican members of the House Rules Commit-