

Your Washington Review

by
Congressman
JERRY FORD



January 27, 1965

This is our first newsletter of the new Congress and the first one to bear the Kent-Ionia heading. It is also the first since my selection as Minority Leader and the first to be prepared in my new office in the Capitol Building.

To all my constituents in Kent and Ionia Counties I express my gratitude and appreciation for the opportunity to serve you in the U. S. House of Representatives. Any additional duties which I may have acquired will in no way diminish my determination to provide you with all the service which a Congressman can and should furnish. I trust that the thought, "Oh, he is too busy," will never deter you from contacting me. As your Congressman I solicit your views on federal legislation and on national and international issues. If any of you encounter special difficulties with federal agencies or departments, my office will do everything it can to help resolve the matter properly and fairly. This has been my policy for the past sixteen years and it will continue.

Until last week my office was on the third floor of the Old (Cannon) House Office Building. We are now occupying a three-room suite set aside for the Minority Leader in the Capitol Building. Thousands of you have visited my old office; you are all welcome to come in and see the new rooms. They are located off the Rotunda on the principal (second) floor in the southwest corner of the old part of the building and are designated as H-230. Any guard will direct you to the office. In writing me it is only necessary to indicate "House of Representatives, Washington, D. C."

THE MINORITY'S TASK: In England it is customary to refer to the Minority in the House of Commons as "Her Majesty's Loyal Opposition." In Congress the minority must oppose those proposals of the President and of the majority which for one reason or another are unsound or do not get at the problem in the best way. The minority has the responsibility of pointing out "the other side" and this includes the cost of the program or project. This does not mean that the minority is any less interested in people or their welfare. Taxpayers are people; what the government takes from them in taxes is lost to them for whatever purpose they may have had for the money. It is so easy to be for something if we ignore the cost and those who pay.

The Minority must also suggest constructive alternatives. It should not oppose for opposition's sake. But for all political and social problems there is more than one solution. The minority's task is to offer good alternatives so the

Congress and the people will have a real choice. We cannot afford a "rubber stamp" Congress.

In this connection I think the two most significant sentences in President Johnson's "State of the Union Message" were, "A President's hardest task is not to do what is right, but to know what is right. Yet the Presidency brings no special gift of prophecy or foresight."

We, all of us, and especially the minority in Congress must present helpful alternatives in an effort to find out what is right. For the same reason Republicans must also develop a program of their own. The freedom of our people is insured when there is "loyal opposition" to the government and there exists a strong two-party system through which the voters can effectively register their protests.

HUMAN WELFARE AND VETERANS: In recent messages the President has expressed concern for the sick and the needy. He has called for a strengthening of the nation's health facilities and services. While Mr. Johnson was calling for the expenditure of millions to do this, his Veterans Administration was announcing that 11 hospitals and four domiciliaries with about 6000 beds were to be closed.

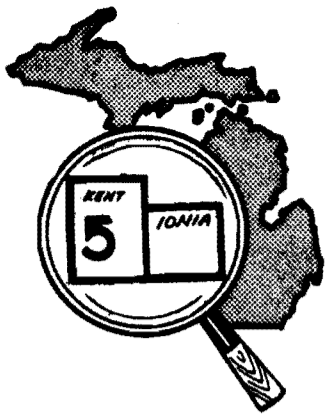
All of these beds are devoted to the medical care and treatment of veterans with service-connected disabilities, or to veterans unable to pay for hospitalization. The domiciliary beds in the main are occupied by indigent war veterans, a majority of whom are chronically ill and unemployable. They need a home and they need care. Some may be transferred to another VA facility; others will be required to seek help elsewhere. But the fact remains that 3000 domiciliary beds will be lost.

It seems to me that we should make full use of existing facilities to care for these folks. Any economies effected by closing these hospitals and homes will be offset by inconvenience to current residents and by the cost of their care elsewhere. Rather than establishing new programs and facilities, we should first make full use of those already in existence.

Some of these facilities form the economic base for their respective communities. To close them is simply to create another "pocket of poverty." We don't win the war against poverty by creating new depressed areas.

The Congress must take a good look at these proposed hospital and domiciliary closings. The Administration must bear the burden of proof that the elimination of these facilities is consistent with its announced purposes and to the best interest of our veterans. The Congress must also insist that the action taken by President Johnson in the case of the Veterans Administration is consistent with and not contrary to his anti-poverty program.

MAILING LIST: Will you please let me know if your address on our mailing list is incorrect?



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February 3, 1965

In the first roll call vote on a legislative item in the 89th Congress a unanimous Republican Minority was assisted by 76 Democrats to gain a victory for all Americans. By a vote of 204 to 177 the House of Representatives restricted the use of a limited amount of public funds for helping Colonel Nasser of the United Arab Republic.

In November the John F. Kennedy Memorial Library in Cairo was sacked and burned by mobs which Nasser's government was unwilling or unable to control. In December his Air Force shot down an unarmed American-owned commercial plane. Four days later Nasser admitted he was supplying arms to Congolese rebels and told the United States to "jump in the lake."

His aid to the Congolese rebels whom we oppose is made easier by the \$140 million worth of surplus wheat, beef, and poultry which we supply the UAR each year under our "food for peace" program. Until 18 months ago we had also granted or loaned Nasser nearly \$900 million in economic and other assistance under the Mutual Security Program.

Last Tuesday during consideration of a \$1.6 billion supplemental appropriation bill, the House adopted a provision which prevents the Administration from using any of a \$200 million portion of this appropriation in the UAR. This portion relates to that part of our surplus agricultural goods which are sold to a country for its own local currency which can only be spent in that country.

In view of this fact and in view of Col. Nasser's attitude and policies, it is difficult to understand why the Democratic leadership objected strenuously to the adoption of the restriction on aid to the UAR. Certainly it is not in the best interests of the U. S. to help underwrite military assistance to the Congolese rebels whose actions we deplore and whose opponents we support. It is not consistent with the basic principles of "mutual security" for one party to tell the other to "jump in the lake." It is not protecting the American taxpayer to use his hard-earned money to help a government with that attitude. I strongly urged the adoption of this restriction on aid to Nasser and every Republican House member agreed. We are grateful to the 76 Democrats who helped us win.

The majority leader claimed that the main issue was "whether a matter of major foreign policy should be determined by legislative action on an appropriation bill without the advice...of the President...." First of all I believe that foreign policy is too important to be left solely to the diplomats. As the elected representatives of the people we in the Congress, both Democrats and Republicans, share in the

responsibility of conducting our foreign affairs. This is particularly true when tax dollars are involved. The Congress determines how these dollars are to be spent. As limited as was this provision restricting aid to Nasser it was a proper step to give the United Arab Republic a warning which should be heeded if it is to benefit from our assistance in the future.

THE SUPPLEMENTAL APPROPRIATION: The provision with the limited restriction on aid to Nasser was added to President Johnson's request for \$1.6 billion as an additional appropriation for this (1965) year to the Department of Agriculture for the Commodity Credit Corporation (CCC). In order to support prices (keep them up) the Corporation buys wheat, corn, cotton, peanuts, rice, tobacco, wool, mohair, certain feed grains, milk, butterfat, honey, tung nuts, cottonseed, flaxseed, soybeans, dry edible beans, and crude pine gum. CCC has virtually exhausted its borrowing authority of \$14.5 billion. It has assets of over \$7 billion including ownership of \$4.7 billion worth of agricultural commodities. It could sell these commodities to get cash but to do so would break commodity markets all over the world. President Johnson asked for \$1.6 billion to carry the program to July 1st and a new fiscal year.

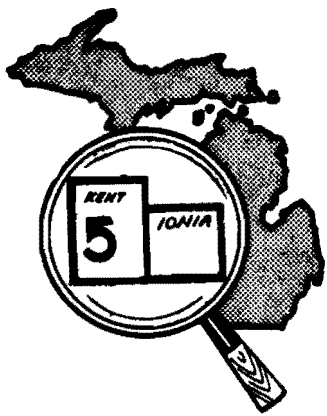
It was clearly evident last year when the Agriculture budget was adopted that this money was needed. But in order to give an appearance of budget cutting the Johnson Administration requested less than it knew would be required. This \$1.6 billion addition means it will take \$6.8 billion to run the Department of Agriculture in fiscal 1965. In 1961 the amount was \$5.9 billion.

THE BUDGET MESSAGE: I fully endorse the President's goals of greater efficiency in government and a less burdensome tax system which he mentioned in his budget message. But I regret that Mr. Johnson omitted from his list of basic principles any reference to fiscal responsibility. His planned and predicted deficit for 1966 is \$5.3 billion. I continue to insist that in these times of economic prosperity we have a moral obligation to pay our own way. We are not making sound progress when we plan an increase in the national debt of \$10 billion from 1964 to 1966.

When the tax cut bill was adopted last year the Democratic majority inserted a pledge to give priority to balancing the budget and then reducing the debt. The President's budget doesn't live up to that promise.

The President's request for about 45,000 more employees in civilian agencies will surprise a lot of people. Many of us had gotten the impression that Mr. Johnson was really hammering at the agencies to cut down on civilian employment.

We ought also to dispel the myth that this budget is below \$100 billion. The President asked for \$106.4 billion in new obligational authority, the right to spend government funds. New obligational authority rather than anticipated expenditure in twelve months beginning July 1st is the true measure of our spending.



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February 10, 1965

For two weeks the House Committee on Ways and Means has been considering in executive session H.R. 1, a 132-page bill relative to hospital insurance, social security, and public assistance. Unfortunately no public hearings have been scheduled and there may be none. The provisions relating specifically to changes in the Social Security Act are similar but not identical to those contained in the "Social Security Amendments of 1964" which passed the House last July and which I supported. The hospital insurance provisions, the so-called "medicare" or King-Anderson proposals, have been widely discussed inside and outside the Congress.

THE ADMINISTRATION'S MEDICARE: H.R. 1 provides that persons age 65 or older who are receiving or are eligible to receive social security or railroad retirement benefits may obtain the following four types of service:

1. Sixty days of hospital care in a given period but under a formula which would generally mean not more than 120 days per year; the patient must pay the first \$40 of the cost.
2. Care up to 60 additional days following hospitalization in a nursing home with which the hospital has an agreement to transfer patients.
3. Visits at home by a qualified nurse of up to 240 calls a year.
4. A limited amount of outpatient diagnostic service at the hospital.

This so-called medicare plan pays no doctor bills or surgeon's fees, nor does it cover the cost of drugs and medicine unless one is in the hospital.

Persons not covered by social security or railroad retirement may benefit if they reach 65 by 1968, or reaching age 65 after 1967 they have three quarters of coverage for each year after 1965 and before reaching age 65.

To meet the cost of this program for those over 65, President Johnson's plan calls for an increase in the social security payroll tax on all employees, employers and self-employed persons. The worker now paying \$174 a year in social security taxes will pay \$238 in 1966. This will go to \$280 in 1968 and to \$291 in 1971. These are the scheduled increases. If they do not meet the costs or if the program is expanded the payroll taxes will skyrocket with increasing tax burden on those presently employed.

The social security payroll tax advocated by the Democrats is a "regressive tax" which places a greater burden on those less able to pay. Under President Johnson's proposal the \$238 tax is 4.25 percent of the wages of a worker earning

\$5,600. But a person making \$30,000 pays exactly the same tax which is only 8/10 of one percent of his income.

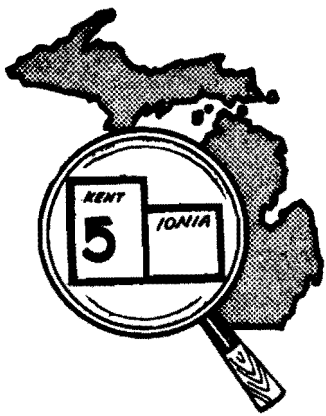
AN ALTERNATE PROPOSAL: As a substitute for an increase in payroll taxes and as a means to provide a program covering hospital and nursing home care, doctor's bills and surgeon's fees, nursing service and drugs and medicines, 6 of the 8 Republicans of the Committee on Ways and Means in the House of Representatives are sponsoring H.R. 4351. This comprehensive, voluntary plan will take care of most of the hospital and medical needs of all persons over 65. The cost will be shared by those who participate and by the federal and state governments. Uncle Sam's contribution will come from the general fund, primarily from income taxes which are based on the ability to pay.

This Program of Comprehensive Health Insurance for the Aged will pay the first \$1000 for room and board in a hospital or nursing home plus 80 percent of any balance. This is the equivalent to 50 days in the hospital or 100 days in a qualified nursing home without any deduction to be paid by the patient. In addition the Program would pay 80 percent of all other hospital, surgical and medical expenses, after a deduction of \$50. This includes surgical fees, doctor's calls at home, office or hospital, nurse's services, and the cost of prescribed drugs and medicines.

The Program would be voluntary, not compulsory for those over 65 years of age. Persons who do not need this sort of health insurance or who are adequately supplied by a group plan or a plan established by their former employers or others would not be required to participate. Those who have conscientious objections to compulsory plans will welcome the voluntary Republican proposal.

Those who wish to take part and be eligible for benefits would make a contribution to the Program based on their ability to pay. The participant's monthly contribution would vary from \$4 a month for the individual receiving the minimum (currently \$40) in social security benefits to \$11.50 for the family receiving the maximum (currently \$190). The average premium contribution will be \$6 per month. The premium for persons eligible for social security benefits and who wish to participate but whose incomes exceed the earning limitation would be paid for them from the social security fund. Persons not covered by social security or railroad retirement can participate by paying the proper premium which will never exceed the maximum set for social security beneficiaries. The Program further permits each state to cover its more needy citizens by paying the premium for them.

It seems to me that this voluntary Program covering doctor bills, medicines and drugs as well as hospital care should be thoroughly considered by the Congress and the American people before the Administration's compulsory, very limited medicare plan is adopted.



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February 17, 1965

Although it was anticipated that there would be little legislative business last week (Lincoln's Birthday), the House of Representatives made three significant decisions. It agreed to the Senate version of the provision relative to the sale of surplus agricultural commodities to Col. Nasser. It approved a compromise to prevent the Veterans Administration from closing any of its hospitals or domiciliaries until after May 1st, and it passed a bill relative to the gold reserve.

AID TO NASSER: Two weeks ago I described the action taken by the House in barring the use of tax dollars for distributing to the United Arab Republic those surplus agricultural commodities which are sold for local currency that can only be spent in the local country. This was a limited restriction which still permitted the President to give other kinds of help including donations for humanitarian reasons to Col. Nasser. But President Johnson objected vigorously to this minor restriction.

The Senate therefore softened the House limitation by in effect leaving the matter up to the President. He could ship these commodities to the UAR if he determined "that financing of such exports is in the national interest."

Last Monday the House had an opportunity to instruct its delegates, who would meet in conference with Senate delegates, to insist on the House version of the bill. All Republicans but one voted as they had previously, but we lost our Democratic support. The motion to hold fast to the original House position was defeated 161 to 241. As a result on Wednesday the House voted to approve the Conference report on the Supplemental Agriculture Appropriation bill with the watered-down Senate version of the Nasser provision.

VETERANS' HOSPITALS AND DOMICILIARIES: The Senate had attached to this same supplemental appropriation bill a provision relative to the proposed closing of certain VA Hospitals and Domiciliaries which I discussed in my newsletter for January 27th. The Senate action would have prevented the closing of any of these facilities until June 30th in order to give Congress time to examine the situation. The Senate-House Conferees accepted this arrangement. However, President Johnson also objected to this minor restriction so the conferees had another meeting. At this time it was agreed that no closing would take place before May 1st. This compromise was accepted by the House on Wednesday afternoon and the Chairman of the Committee on Veterans' Affairs announced that extensive public hearings will be held on this subject. These hearings will begin tomorrow, February 18th. They will cover not only the proposed closings of VA hospitals and domiciliaries but the over-all VA hospital situation.

The public hearings are expected to extend over several weeks. Following the hearings the Committee may recommend certain legislation.

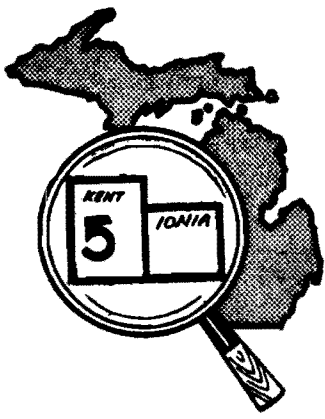
This does not mean that the facilities will not be closed. As the Chairman of the Committee on Appropriations said, "There is no way that I know of to compel an executive, regardless of his political faith, to spend money that he does not want to spend or to keep open installations which he is determined to close."

THE GOLD RESERVE: Under current law each Federal Reserve bank (the Chicago bank serves Michigan) must keep a reserve in gold certificates of at least 25 percent against its note and deposit liabilities. Last Tuesday the House approved H.R. 3818 which repealed this requirement as it relates to deposit liabilities. This legislation does not reduce the minimum 25% gold reserve supporting our Federal Reserve notes (paper money) and as the Committee on Banking and Currency stated, "should give no cause for concern to many who feel that there should be some metal backing behind our paper currency." Sponsors of the legislation said it would make available almost \$5 billion in gold to help meet the monetary needs for an expanding economy at home and to increase confidence in the dollar abroad.

I joined many members of the House who voted for this bill reluctantly, realizing that it was necessary but knowing that it did not get at the root of the problem. As the senior Republican on the Committee said, "This will buy time for us to get at the real cause of the problem, namely our continuing balance-of-payments deficit....We cannot go on spending, lending, investing, and giving away to the rest of the world, year after year, more than our receipts from the rest of the world."

The relationship of the bank's gold reserve to its note and deposit liabilities is called the reserve ratio. This ratio declines when our gold holdings decline or when the bank's deposits and note liabilities rise. On September 21, 1949 the ratio was 57.5 percent; on December 31, 1964 it had declined to 27.5 percent. During that period Federal Reserve gold holdings declined \$8.3 billion through sale to foreign governments in partial settlement of our accumulating balance-of-payments deficits. Notes and deposits increased by \$14 billion to finance our expanding domestic economy. But under the 25 percent reserve requirement that \$14 billion increase only required the earmarking of \$3.5 billion of free gold holdings. The continuing balance-of-payments deficit is the main reason for the decline in the reserve ratio. During the past three or four years the Administration has shown insufficient interest in getting at this problem in a constructive manner.

On Wednesday President Johnson made certain recommendations to improve our adverse balance-of-payments position but it remains to be seen how effective these will be. More drastic action may prove necessary.



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February 24, 1965

Enactment of two authorization bills constituted the major legislative business of the House of Representatives last week. On Wednesday the House passed H.R. 2998 to authorize the appropriation of \$40 million for the next three years to operate the U. S. Disarmament and Arms Control Agency. On Thursday it authorized \$750 million for use in three years by the Inter-American Development Bank. To be made available this money must also be appropriated through further action by the Congress.

In certain instances the expenditure of public funds requires a periodic "authorization" and an "appropriation." The request for money comes from the executive branch through the President. The expenditure is "authorized" by one of the legislative committees. In the case of the Disarmament Agency this was the Committee on Foreign Affairs. The Committee holds hearings at which officials from the executive branch explain the need for funds, defend their actions of the past year, and outline how they intend to use the taxpayers' money in the months ahead. The legislative committee then makes its recommendation "authorizing" the appropriation of a certain amount for a given number of years. This authorization must be approved by the Congress and signed into law.

The Committee on Appropriations acts only when there is an authorization. It holds hearings, asks many of the same questions, reviews the work of the agency or department, and then recommends an "appropriation" of funds. This gives the agency the right to draw money from the Treasury. The appropriation may not exceed the authorization but may be, and usually is, a smaller amount. The appropriation bill too must be approved by both houses of the Congress and signed by the President.

This "authorization" and "appropriation" process gives the Congress a double check on expenditures. It provides a thorough review of expenditures by two different groups of Congressmen both of whom are the elected representatives of the taxpayers.

The bulk of federal expenditures, however, are handled through the appropriating process only. The departments or agencies have broad authorization in basic law (a sort of continuing authorization) and get their money annually by appropriation only. On the other hand, we also have "back-door financing" by which an agency is authorized to go directly to the Treasury for its funds without periodically defending its record or explaining its plans to any congressional committee. Fortunately this method is being used less and less.

ARMS CONTROL AND DISARMAMENT: The principal issue in H.R. 2998 was whether the Arms Control Agency should be authorized \$55 million over a four-year period or \$25 million for the next two years. The Administration and the Committee recommended the larger figure and the longer period. It was argued that the Agency could better carry out its tasks, especially its long-term planning, if funds were authorized for four years.

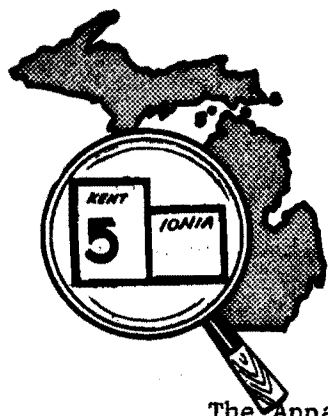
All Republican members on the Committee supported a two-year authorization to give the Congress and the public an opportunity to check on the Agency more effectively and to promote greater flexibility in adjusting to changing conditions. The most urgent mission of the Agency is to seek the prevention of a spread of nuclear power. It emphasizes "arms control" more than disarmament. In this area there are so many variables and such rapid developments that Republicans felt the Agency should be subject to careful review by the Committee on Foreign Affairs every two years.

No strong case could be made for the four-year period and the Democratic leadership agreed to a three-year, \$40 million compromise. I supported this action which was approved 302 to 63. We are all interested in effective arms control and a foolproof disarmament program, and trust that the research and studies carried on by the Agency will be productive.

INTER-AMERICAN DEVELOPMENT BANK: This is the Bank for the "Alliance for Progress." The bill, H.R. 45, approved by the House on Thursday authorizes \$750 million over a three-year period as the U. S. contribution to the Bank's Fund for Special Operations. Latin American countries are to contribute \$150 million in their own currencies. Loans on easy terms are made from this fund for water supply and sanitation, education, housing and land settlement, and improved land use in Central and South America.

This is part of our "foreign aid" program. In light of a concern for our gold reserve and our balance-of-payments, the senior Republican on the Committee on Banking and Currency proposed that each annual payment under H.R. 45 be made only after the President had determined that "such payment is in the national interest of the United States." The Administration and the Democratic leadership opposed this amendment. Yet it would only require the President to examine our balance-of-payments position and report that in spite of the position, good or adverse, it is in the nation's best interest to make the payment. This constructive amendment was defeated by a teller vote of 72 to 141.

An effort to reduce the authorization from \$750 million to \$725 million which I also supported was defeated 142 to 237. I voted for the bill on final passage when it was approved 288 to 92.



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March 3, 1965



The Appalachia Bill, S.3, is scheduled for consideration by the House of Representatives this week. Passed by the Senate on February 1st, it was approved without change by the Democratic majority of the House Committee on Public Works. The Republican members wrote a strong dissenting report explaining the bill's deficiencies. Five of the Republican members of the Committee recommended an alternative program.

Known as the "Appalachian Regional Development Act of 1965," the bill authorizes \$1.09 billion to help 360 counties in 11 states. About 77 percent of the funds, \$840 million, would go for highway construction. The remainder would be spent on the construction and operation of health facilities, farm land improvement, vocational education facilities, the restoration of areas damaged by mining operations, and to help construct sewage treatment facilities. Some local communities have not made use of Federal grants-in-aid based on existing programs because local or state matching funds were not available. S.3 authorizes \$90 million of Federal funds to help local communities meet their share of local matching funds. Expenses for administering the program are estimated at \$2.2 million.

THE MINORITY'S OBJECTIONS: In a well documented 25-page report the minority members of the Committee explained the basic weaknesses of S.3. It discriminates against the rest of the nation, especially those areas which have equal or greater poverty, by providing preferential treatment for one region. Many of the 360 counties are not depressed or poverty stricken under any definition; 76 counties are so well off that they do not qualify for help under the Area Redevelopment Act or the Public Works Acceleration Act both of which are designed to assist areas of large unemployment or in need of economic development.

The bill's provisions for the \$840 million highway program are defective in many ways. For instance, 1000 miles of "local access" roads are to be built to serve "specific recreational, residential, commercial, industrial, or other like facilities" or to help "a school consolidation program." But under S.3 there are no standards for construction of these roads nor is there any requirement that the state or local governments must maintain the roads after they are built.

At a time when agricultural surpluses, including beef, are a problem for the government this bill provides tax funds to improve cropland and pastureland in the area. S.3 also sets up a new bureaucracy in a Regional Commission composed of state and federal representatives but in which the federal government will have a veto power over all eleven states. Obviously the heavy hand of Washington bureaucracy

would control.

The minority also pointed out that the figures obtained in the 1960 census are used to show need for assistance to Appalachia. These figures are outdated and recent improvements in the area have been ignored. For example the Governor of West Virginia told the Committee: "This period (1961-64) has been one of great economic recovery for the State.... Unemployment, which stood at 105,000 in January 1961, has been gradually cut down to less than 60,000 early in 1964."

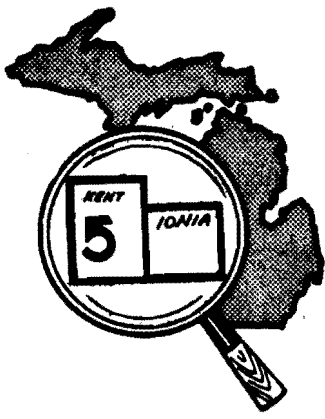
Republicans on the Committee submitted many amendments to improve and clarify the bill in Committee but it was obvious that orders had been received by the majority members to approve and recommend the bill as passed by the Senate.

THE REPUBLICAN ALTERNATIVE: Stating that "we are in favor of the Federal Government assisting in the economic development of depressed areas where such assistance is actually needed and where it has reasonable prospects of accomplishing lasting results," five Republican members of the Committee on Public Works proposed a "Resources Development Act" (H.R. 4466) as a substitute for S.3. This bill would extend assistance to any area of the United States with substantial unemployment or in need of economic development. The programs and projects would be initiated and carried out by existing governmental agencies without setting up a new bureaucracy with dictatorial power in the hands of a Presidential appointee. H.R. 4466 authorizes \$995 million to be used for purposes similar to those of S.3 but made available only where there is a demonstrated need.

The House will have an opportunity to vote on this constructive, non-discriminatory alternative when it considers the Appalachia bill.

LEAD AND ZINC; The House enacted legislation last Tuesday to make available for sale to private industry from government stockpiles 150,000 tons each of lead and zinc. Based on domestic demand and available supplies, industry and government leaders agreed on the need for this action. On December 31st there were about 1.5 million tons of zinc and 1.3 million tons of lead in the stockpile. According to the Committee on Armed Services there is a substantial excess of both metals in the stockpile and the sale price will be higher than the government's cost of acquisition.

COMMITTEE EXPENSES: On Wednesday resolutions were approved to provide funds for studies and investigations by various House Committees. The Committee on Government Operations was allocated \$650,000. This Committee has a staff of 55 employees but only 3 of these are under the jurisdiction of the Republican members. It seems to me that if this Committee is to properly protect the public interest by examining actions of the Democratic Administration, those in the minority especially must have a more adequate staff. A ratio of 52 Democrat investigators to 3 Republicans is hardly a fair balance.



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March 10, 1965

The House of Representatives "rubber stamped" the Appalachian bill last Wednesday when it approved S. 3 precisely as it passed the Senate. The Democratic majority beat down every amendment offered to clarify or improve the bill which was sent to the President by a vote of 257 to 165.

In last week's newsletter I described the bill and outlined the objections to it. I mentioned the alternative proposal, H.R. 4466, offered by Republican members of the Committee which would help meet the problems of needy areas throughout the country rather than show special preference to one section. A motion to substitute H.R. 4466 for S. 3 was defeated 100 to 323. I voted for H.R. 4466 as a preferred approach, and when this failed I voted against S. 3 on final passage.

FROM THE MAILBAG: Our mailbag has been bulging lately with letters on two issues: federal aid to education and medicare.

During the past week I have received well over 400 letters urging the inclusion of non-public schools in any benefits to be derived from a federal-aid-to-education bill. Many of the letters specifically oppose any amendments to legislation now being considered which would deny benefits to private or parochial schools. The House Committee on Education and Labor is to make its recommendations on this issue to the House. Alternative proposals will also be presented so that the House will have an opportunity to make a choice as to the best approach to the problem of educational costs.

Over 100 cards and letters were received last week relative to "medicare" and "eldercare." Most of the writers pointed out the limited coverage of the Administration's King-Anderson proposal and urged a plan which would cover doctor and surgeon's fees, medicine and drugs, as well as hospital costs. This issue is being debated in executive session by the Committee on Ways and Means as it considers H.R. 1. As I have pointed out in the newsletter of February 10th the Republican program submitted by Rep. Byrnes is comprehensive in its coverage. The same is true of the "eldercare" plan embodied in the Herlong-Curtis bill.

A sizable number of our people are concerned with H.R. 1 because it does not cover at all such private institutions as Pine Rest Christian Hospital at Cutlerville. I have urged that Section 1806(b) of H.R. 1 be amended so that elderly patients at Pine Rest would be eligible for assistance should this bill become law. Under Rep. Byrnes' substitute bill (H.R. 4351) patients at Pine Rest would be eligible to the same benefits as those in other hospitals.

DRUG ABUSE CONTROL AMENDMENT: Scheduled for passage in the House this week is H.R. 2 the "Drug Abuse Control Amendment of 1965," unanimously recommended by the House Committee on Interstate and Foreign Commerce.

This bill provides for better control over barbiturates ("goof balls") and amphetamines ("pep pills"). It does not go as far as some would desire but it is hoped that combined with voluntary self-regulation by all levels of the drug industry and by an increased vigilance on the part of those responsible for prevention of smuggling, the bill would cut down on the abuses.

The bill requires that all persons handling these drugs from the manufacturer through the retailer keep complete records of receipts and distribution of the drugs. Anyone not in this legitimate chain of distribution may not make or sell the drugs. The bill makes it easier for the authorities to seize counterfeit drugs and to make arrests for illegal possession.

The Committee's hearing brought out that "over 9 billion barbiturates and amphetamine tablets are produced annually in the United States, of which it is estimated that over 50 percent, or 4½ billion tablets, are distributed through illicit channels." The Committee went on to say, "Drug abuse is closely bound up with juvenile delinquency. It also contributes to the rising crime rate in the United States. Misuse of these drugs has contributed to the rising hazards of accidents on the highways. The illegal traffic in drugs is enormously profitable.... Barbiturates and amphetamines having a retail value of approximately \$670 have a value in illicit channels in excess of \$250,000."

UN-AMERICAN ACTIVITIES COMMITTEE: When \$370,000 was allocated recently for investigations and studies by the House Committee on Un-American Activities only 29 members of the House voted "No." All of these were Democrats.

It was also surprising to find that on the same day 57 Democrats voted for a motion to delay providing these funds until extended public hearings had been held by the Committee on House Administration. As the Democratic Chairman of this Committee pointed out, "It is not a logical requirement of the Committee on House Administration to hold a public hearing on a housekeeping proposition such as this." To have done so would have stymied the operation of the Committee, could have meant a halt to committee business and a hardship on staff members. If we are to have a committee it should have funds to operate. If we are to abolish a committee the proper procedure is through action in the Committee on Rules.

This motion was defeated 332 to 58 with all Republicans except one voting to support the Committee.



Your Washington Review

by
Congressman
JERRY FORD

March 17, 1965



The Drug Abuse Control bill (H.R. 2) which I mentioned last week was approved unanimously by the House of Representatives on Wednesday. The vote was 402 to 0.

Two amendments to the bill were adopted during consideration by the House. The bill as recommended by the Committee provided a special penalty for those over 18 years old who illegally sell "goof balls" and "pep pills" to those under 18. Because this is a serious matter for college-age persons as well as for high school youngsters, the House set the extra penalty for anyone over 21 who unlawfully sells the drugs to persons under 21. The second amendment clarified the bill to make certain that each state could continue to enforce its own laws relative to drug use and abuse.

JOINT COMMITTEE ON THE ORGANIZATION OF CONGRESS: On Thursday the House adopted a "concurrent resolution" similar to that approved by the Senate on Tuesday to establish a Committee of six Senators and six Representatives to "make a full and complete study of the organization and operation of the Congress...with a view toward strengthening the Congress, simplifying its operation, improving its relationship with other branches of the U. S. Government, and enabling it better to meet its responsibilities under the Constitution."

The membership of the Committee is to be equally divided between Republicans and Democrats. One of the responsibilities of the Minority Leader is to recommend to the Speaker the names of minority members of the House of Representatives to be appointed to committees such as this. It was my privilege to suggest for membership on this significant committee Mr. Thomas Curtis of Missouri, Mr. Robert Griffin of Michigan and Dr. Durward Hall of Missouri.

FEDERAL STANDARDS FOR CONGRESSIONAL REDISTRICTING: Among the bills scheduled for consideration this week is H.R. 5505, legislation relative to congressional districts. The bill is intended to provide congressional guidelines for state legislatures in carrying out the "one man, one vote" mandate of the Supreme Court as far as congressional districts are concerned. In 1964 the Michigan legislature and Governor Romney effectively solved this problem but many other states currently are struggling with it.

This House bill requires that each district be composed of "contiguous and compact territory" (such as Kent and Ionia Counties) to make "gerrymandering" an illegal practice. It also provides that the population in any district may not deviate more than 15 percent from the figure obtained by dividing the state's population by the number of its representatives. (Using the 1960 census, the Fifth District's 406,319 population deviates only .76 of one percent from the norm for Michigan.)

The bill further provides that there shall be no Congressman-at-Large from any state entitled to more than one representative, thus eliminating after 1966 the illogical situation which Michigan experienced in the last Congress.

OTHER BUSINESS: Also scheduled for consideration this week is H.R. 4185, a bill relative to patent office fees. Fees for obtaining a patent have not been changed for 33 years. At one time fee income substantially covered operating costs. Now fees supply only about 30 percent of these costs. The Administration has recommended an increase in patent fees which if approved will equal about 75 percent of the Patent Office costs.

Basic fees in patent cases are paid first when the application is filed, and second when the patent is issued. They are now \$30 each. Under H.R. 4185 the filing fee will go to \$50 and the patent fee to \$75. The bill also changes certain other fees collected by the Patent Office. It is estimated that for 1965 current fees will bring in \$8.9 million while the revised schedule in full operation would produce \$24.1 million.

Legislation (H.R. 5374) to increase the salaries of Supreme Court justices is also scheduled for action this week. The bill would increase the salary of the Chief Justice from \$40,000 to \$43,000 and that of the associate justices from \$39,500 to \$42,500. The Committee on the Judiciary recommends this increase in order to maintain the same differential between Supreme Court justices and judges of the Court of Appeals which existed prior to last year's salary increases.

A RESEARCHER AND OUR MAIL: We have been most fortunate to have in our office for four months a non-paid, part-time "congressional fellow" sponsored by the American Political Science Association. He is Mr. Ock Jin Kim, Political Secretary to the Speaker of the National Assembly, Republic of Korea, and Lecturer of Political Science at Kunkook University in Seoul.

Among other things Mr. Kim has been analyzing the mail received in my office. He reports that in a 20-day period (Feb. 18 - March 10) we received 2,533 pieces of mail not counting newspapers, magazines and various other publications. There were 835 letters on aid-to-education, 222 on medicare legislation, and 146 on foreign policy including Viet-Nam.

We had 108 requests for various materials and had to accept or decline 137 social or speaking invitations. There were 105 letters involving personal problems and 25 inquiries on employment opportunities. The future of the Republican Party was discussed in 87 communications and 26 writers wanted my views on certain legislation.

I want to express my deep appreciation to "Kim" for his wonderful help to me and our Fifth District staff. We have learned much from him and have gained much in knowing more about South Korea's effort to be a strong partner in the joint effort to thwart Communist aggression.



Your Washington Review

by
Congressman
JERRY FORD



March 24, 1965

The "Elementary and Secondary Education Act of 1965" (H.R. 2362) sponsored by the Administration has been recommended for passage by the Democratic majority on the House Committee on Education and Labor.

The major provisions of the bill are contained in three "titles" or parts. The first title authorizes the appropriation of \$1.06 billion for fiscal year 1966 for the purpose, according to the Democratic members of the Committee, "of broadening and strengthening public school programs in the schools where there are concentrations of educationally disadvantaged children." The use of this money would be left to the discretion of local public school authorities but it is intended that the federal funds will help "meet the educational needs of educationally deprived children in those public schools in the district having high concentrations of children from low-income families." Possible uses of the money include "remedial programs especially in reading and mathematics, educational camps, supplemental health and food services, financial assistance to needy high school students, expansion of library facilities, programs to train teacher aides, and after school study centers."

Federal funds will be distributed to the states and school districts by means of a formula which allegedly grants greater assistance to those areas having a larger number of families with incomes of \$2000 or less. Michigan is scheduled to receive \$32,729,320 under Title I.

Title II authorizes the appropriation of \$100 million for the purchase of textbooks and library materials by public school authorities. This money would be allocated to the states on the basis of the number of children enrolled in the elementary and secondary schools. About \$4.6 million is earmarked for Michigan.

Title III calls for the expenditure of \$100 million for "supplemental educational centers and services." This money would be allocated by the U. S. Commissioner of Education to local public educational agencies. He is to work within a formula based on school-age population, state population and the relative need of the people in each state. But the Commissioner must authorize and approve all programs. Under Title III Michigan could get up to \$4 million if the Commissioner agrees.

According to the Committee Report, funds under this title could be spent "to enrich the programs of local public elementary and secondary schools" and to provide such services as "guidance, counseling, remedial instruction, school health, psychological, and social work services. Special educational programs and study areas, operated during periods when schools are not in session, might be provided under the terms of this title....The provisions of this title would allow local educational agencies to support educational radio and television programs (and)...would permit

support of physical education and recreational programs not available at present."

AID TO NON-PUBLIC SCHOOLS: Patrons and friends of non-public schools who have indicated their support of H.R. 2362 are going to find little in this proposal to arouse their enthusiasm. In their Report on Title I the Democratic members of the Committee said, "No provision of the bill authorizes any grant for providing any service to a private institution, but at the same time the bill does contemplate some broadening of public educational programs and services in which elementary and secondary school pupils who are not enrolled in public schools may participate." The Report goes on to say that the bill provides no funds to pay private or parochial school teachers or to purchase any supplies or equipment for non-public schools. However, the public schools are expected to share certain educational services with students in non-public schools but only "consistent with the number of educationally deprived children in the school district who are enrolled in non-public elementary and secondary schools." Under this bill the public schools are permitted to include "special educational services and arrangements such as dual enrollment, educational radio and television, educational media centers, and mobile educational services and equipment" for students in non-public schools. These students might also be eligible for "broadened health services, school breakfasts for poor children, and guidance and counseling services." But as a practical matter such services would have to be available at a reasonable distance from the private school, and as the Committee Report emphasizes the public schools will control and administer all funds under Title I.

Textbooks and library materials including all audio-visual aids procured under Title II will be available "on an equitable basis for all elementary and secondary school children and teachers." But in making these materials available to students in non-public schools the state's law relative to this matter must be followed. Furthermore, the textbooks and materials to be purchased must be approved for use by the public school authority in the state. These books and materials can only be loaned to students or teachers in private schools (not to the school as an institution) and the public school retains ownership and administrative control over them.

Title III which sets up supplemental educational centers and services provides "that the money granted to local public educational agencies would be used for programs accessible to all appropriate children in the area to be served irrespective of their school enrollment." But the Committee's majority Report makes it clear that nothing in this title is in any way to help any non-public institution. Sponsors hope that some students attending private or parochial schools may benefit from some of the services which could be supplied by the public agency operating under this title. But any plan must be approved by the U. S. Commissioner of Education.

NEXT WEEK: The Republican members of the Committee on Education and Labor wrote a 13-page Report outlining the deficiencies and dangers in H.R. 2362. I plan to discuss this Report next week and to explain the Republican alternative proposal.



Your Washington Review

by
Congressman
JERRY FORD

March 31, 1965



Beating down amendments to clarify and improve the legislation, the House of Representatives Friday evening "rubber stamped" the aid-to-education bill (H.R. 2362) by a vote of 263 to 153. I voted against the bill on final passage because of the deficiencies outlined below after indicating my full support for the Republican alternative. I favored many of the amendments including one to improve the formula for distribution of funds offered by a Democratic leader on the Committee.

In last week's newsletter I described briefly the major provisions of H.R. 2362 as stated in the majority report and pointed out what assistance it would provide for non-public schools. This week I want to outline the deficiencies and weaknesses of the bill as listed in the minority report and to present the alternative offered by the Republican members of the Committee on Education and Labor.

1. The distribution of funds under this bill will be extremely wasteful and inequitable, with the wealthiest counties in the U.S. receiving millions of dollars in federal aid, while some of the poorest areas will receive relatively little. For example, in Westchester County, New York, over 36 percent of the families have incomes of more than \$10,000 and only 8 percent receive less than \$3,000 a year. Only 3 percent (or 6,210) of all school-age children come from families having an income of \$2,000 or less. During the first year, wealthy Westchester County will get \$2.1 million under this "legislation designed for impoverished children."

Sunflower County, Mississippi, has approximately the same number of children (6,184) from families with less than \$2,000 income, but this number represents 42 percent of all school-age children. Furthermore over 68 percent of the families have an income under \$3,000. Yet this truly impoverished county will receive only \$745,173 compared with more than \$2 million for Westchester. In fact under the formula in the bill the ten wealthiest counties in the country would get over \$8.9 million during the first year while the ten poorest counties would receive only \$4.5 million. Under the terms of the bill, state officials have no authority to correct this situation by funneling more funds into the more needy areas of their state.

2. Pointing out that educational authorities agree that "no amount of normal schooling is enough to make up for a pre-school deficiency," the minority report says that "through omitting pre-school training, H.R. 2362 fails to cover the most important educational period in one's life....Current studies show that irreparable damage of pre-school retardation is especially acute among the economic and socially deprived.'

Republican members of the Committee recommended "a program of cooperative action with states, conducted in school districts having a high concentration of deprived

families, which concentrates on helping educationally deprived children at an early age to overcome the handicaps that consign them to failure in school."

3. Republicans pointed out that H.R. 2362 "contains very dangerous provisions which would permit the U.S. Commissioner of Education to establish federal-local schools and facilities without the approval of a state education agency and financed 100 percent with federal funds. This is the most direct and far-reaching intrusion of federal authority into our local school systems ever proposed in a bill before Congress."

4. Relative to the purchase of textbooks and library materials, the minority said, "the implications of federal involvement in buying textbooks have not been thought out. No language in this bill can guard against subsequent federal controls."

5. In conclusion the Republican members of the Committee said, "The true purpose of this bill is to authorize general aid without regard to need, and the clear intent is to radically change our historic structure of education by a dramatic shift of power to the federal level." We must note that this new billion dollar program is being advanced when a \$5 billion annual deficit is already being anticipated and the national debt stands at \$319 billion, up \$8 billion since a year ago.

THE REPUBLICAN ALTERNATIVE: In order to overcome the objection mentioned in "2" above and to present a fair and equitable plan to help all who bear the costs of education, many Republicans endorsed H.R. 6349.

1. This bill authorized \$300 million for use by the states to improve the education and educational opportunities of children 3 to 7 years old from families with incomes of less than \$3,000. States would use most of the money in areas having most of these children.

2. Anyone, including renters, paying federal income taxes would be entitled to a tax credit up to one-half of any state or local school taxes he pays but not more than a total of \$100. This plan would ease the burden of school property taxes, and would also include that portion of sales taxes going for schools.

3. Under the terms of H.R. 6349 and as an alternative to the provision above, an individual could take an income tax credit of \$50 for each student whom he listed as a dependent up to a total of \$200. A family with four children in school could deduct \$200 from their income tax each year.

4. An individual paying college expenses (for himself or a dependent) could receive a tax credit up to \$325 for each student for the cost of tuition, books, etc.

5. If the tax credit for a given person is greater than his income tax, he would receive a payment from the Treasury equal to the difference between his federal income tax and the tax credit. This provision was to remove any basis for an allegation that this bill helps only those in the higher income brackets.



Your Washington Review

by
Congressman
JERRY FORD



April 7, 1965

The House of Representatives last Tuesday approved the first departmental appropriation bill for fiscal year 1966 when it allocated just over a billion dollars to the Department of Interior and related agencies including the Forest Service. The House cut the President's request by \$56.7 million and the amount approved was \$15.2 million less than the appropriation for the current year. However, this year's expenditures include \$34 million in "nonrecurring items," so the rate of spending by the Department of the Interior will be greater in 1966 than it was this year.

Major increases in the 1966 Budget include \$14 million for "education, welfare, and health services, and other assistance to the Indians," and \$10.2 million for accelerating the saline water research program to remove salt from sea water. The total amount allotted to the Bureau of Indian Affairs exceeds \$202 million while the Office of Saline Water is to get \$20 million.

The Congress must approve twelve regular appropriation bills each session to provide funds for operating the government for the ensuing fiscal year. In addition to the Interior appropriation bill the House to date has approved legislation providing \$356 million for the government of the District of Columbia. This is an increase of \$14.8 million over the appropriation for 1965.

While much of these funds are raised by local taxation, the federal government (all U.S. taxpayers) does make a contribution in lieu of taxes for the operation of the District. The House approved \$44 million for this purpose for 1966 compared to \$40.7 million for 1965. The President had requested a federal payment of \$53 million.

OLDER AMERICANS ACT: Approved on Wednesday by a vote of 394 to 1 was H.R. 3708, the Older Americans Act of 1965. This Act sets up in the Department of Health, Education, and Welfare an agency known as the "Administration on Aging" under the direction of a "Commissioner on Aging" to be appointed by the President. This "Administration" will serve as a clearing-house on information on problems of the aged, will conduct research and prepare educational materials on items of interest to older citizens. These will include especially the areas of retirement income, housing, and health.

A federal agency to carry on these activities had been recommended by the White House Conference on Aging called by President Eisenhower. An Agency was established after the 1961 conference but only as the "Office of Aging" under the "Welfare Administration" in HEW which administers the old age assistance program.

Many concerned persons regretted that the Kennedy-Johnson Administration had placed all the "aging" in the 'welfare' category. True, a certain percentage are welfare cases but the vast majority of our senior citizens do not look upon their interests as being matters of 'welfare.' As one Republican stated in the floor debate on the bill, "This new office will remove the welfare stigma from the activities of the office dealing with these problems."

It is significant that this legislation did not originate in the White House and that the Administration is "less than enthusiastic and probably opposed to it." In this connection and in light of recent House action, one member remarked that "We can take a little bit of pride in the fact that Congress is showing some initiative in the legislative field."

WATER RESOURCES PLANNING ACT: A bill (H.R. 1111) to establish a Cabinet-level Water Resources Council was approved unanimously on Wednesday afternoon. The Council will be responsible for guiding the nation's water planning program in an effort to make the most efficient use of our water resources.

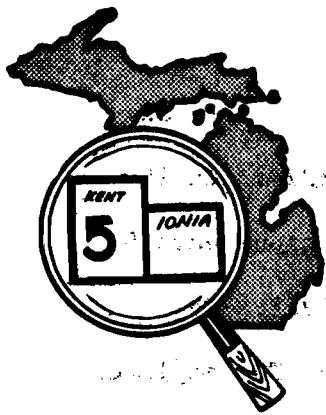
The bill sets up a plan for federal-state commissions to develop water resources in the areas of various river basins. It also authorizes \$5 million a year for a ten-year period for grants to states to assist in developing water resources.

MANPOWER ACT OF 1965: The House was also unanimous in its endorsement Thursday of H.R. 4257, the Manpower Act of 1965. This bill extends and revises the Manpower Development and Training Act of 1962, which Republicans had sponsored. Under this Act institutional and on-the-job training has been provided for thousands of individuals including displaced experienced workers, younger persons who must develop a skill, and the longterm unemployed. Unless it is extended the program will cease on June 30, 1966.

SOCIAL SECURITY AND MEDICARE: The major legislation scheduled for consideration by the House this week is H.R. 6675, the bill reported by the Committee on Ways and Means to cover medicare (a compulsory hospital and medical care plan for the aged under social security) and a "voluntary supplementary plan." The bill also makes changes in the Kerr-Mills program and makes certain changes in the basic Social Security Act including a 7 percent across-the-board benefit increase. All of these provisions are in a single bill for which the Committee report runs to 264 pages.

OUR VISITORS: We were privileged to meet with three school groups last week, to have a picture taken, and to show them through our offices in the Capitol. On Tuesday we saw the 80-member Calvin College Band which was in Washington for a concert that evening. The senior class of Lee High School with 73 students was here on Wednesday with 57 seniors from Byron Center. Next week we are expecting a class from Riverside Junior High School in Grand Rapids.

Many individuals and families have been stopping by and we hope that any of you who visit Washington this spring will come in to see us.



Your Washington Review

by
Congressman
JERRY FORD



April 14, 1965

A 296-page bill (H.R. 6675) amending the Social Security Act was approved by the House of Representatives last Thursday. The parliamentary situation permitted no changes on the floor of the House in the wording of this bill which was recommended by the Committee on Ways and Means. However, at conclusion of debate the House had an opportunity to accept the Republican substitute, H.R. 7057, an alternative proposal of 242 pages. I voted for H.R. 7057 but when that was defeated, I opposed H.R. 6675 on final passage.

By supporting H.R. 7057, the Republican alternative,

1. I voted for a 7 percent, across-the-board increase in old-age, survivors, and disability insurance benefits.
2. I voted for all the other provisions of the Committee's bill extending and improving basic social security coverage.
3. I voted for the changes in the Kerr-Mills Program recommended by the Committee.
4. I voted for the increases in benefits for the needy aged, blind and disabled under the Public Assistance program.
5. I voted to permit the states to adopt the "eldercare" program.
6. I voted for a voluntary comprehensive health insurance program covering hospital costs, doctor bills, and medicine and drugs to be financed out of the general revenues of the government (2/3) plus a contribution (1/3) by those who desire to participate.

By supporting H.R. 7057 rather than the Committee bill, H.R. 6675,

1. I opposed an increase in the regressive social security payroll tax on all employees, employers, and self-employed persons.
2. I opposed a compulsory insurance program for those over 65 whether or not they need or desire the additional insurance.
3. I opposed a program which will either seriously threaten the financial stability of the Social Security System or require a still greater increase in payroll taxes on all workers in the years ahead.

It is difficult to understand how those who allege they "care for people," can insist on higher and higher payroll taxes. And the tax is a regressive one, inflicting the greatest burden on those least able to pay.

Under the schedule as adopted, the employee making \$5,600 a year or more and now paying \$172.80 in social security taxes next year will be charged \$224. In 1969 this will go to \$246.40. In 1971 the taxable base goes to \$6,600 and anyone earning that much or more will pay \$290.40 which will be raised to \$316.80 in 1973. The rate scheduled for 1973 and after is 4.8 percent on everything up to \$6,600. The employer will pay a like amount while self-employed persons will pay a tax of 7 percent. Because both the rate and the base can be increased at any time, we know that the amounts mentioned are minimal. As billions of dollars are drained from the Social Security Trust Fund, either the tax rate or the tax base or both will be increased.

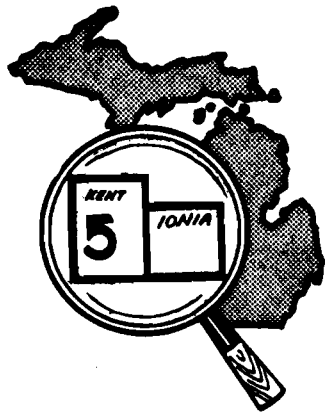
A payroll tax of this nature is a regressive tax. Its greatest burden falls on those less able to pay. For instance, the \$224 tax is 4 percent of the wages of a worker earning \$5,600. But a person making \$30,000 pays exactly the same tax which is only 7/10 of one percent of his income. With this sort of a regressive payroll tax there are no exemptions, no deductions, no exclusions, and no tax credits. No consideration is given to the taxpayer's ability to pay. No consideration is given to the size of his family, to the cost of maintaining the family, nor to any special financial circumstances involving the individual.

Under the compulsory social security medicare plan, a worker with a wife and two children and earning only \$3,600 a year in 1967 will pay social security taxes of \$162 plus an income tax of \$88 for a total of \$250. A retired man and wife over 65 with no dependents but having the same income, \$3,600 (social security, pension, interest, dividends, rents, etc.), will pay no federal tax at all. Yet the retired couple will be eligible for hospital care while the worker with the same income and a \$250 tax must pay his own hospital bill or carry his own insurance.

Every worker will be taxed to pay the hospital bills of all those over 65 -- whether the older folks need help or have an enormous bank account, whether they are destitute or have a \$20,000 a year income.

By the time he is 65, a person who begins work at 21 will have paid in \$8,590 (with interest at 3-1/2 percent) for the hospitalization program only. That is what it will cost the new generation of workers to finance hospital cost of those already retired. The same amount invested in private health insurance would provide the worker with far more extensive benefits than are provided under the hospital program in H.R. 6675.

I supported a voluntary plan for comprehensive health insurance to be financed through income taxes, collected on the basis of ability to pay, plus a small premium (\$6 per month on the average) charged to those who wish to participate and who would benefit. This seemed to me to be much more fair and equitable.



Your Washington Review

by
Congressman
JERRY FORD



April 21, 1965

The House of Representatives has approved a constitutional amendment relating to presidential disability and succession. The vote was 367 to 29, well over the required 2/3 majority. The proposal was returned to the Senate which has approved a similar amendment but in slightly different form. If the Senate agrees to the House version, the proposed amendment goes to the states for ratification. Thirty-eight states (3/4 of total) must ratify the proposal to make it a part of the Constitution.

Under this proposed amendment a Vice President who has become President is authorized to nominate a new Vice President who shall take office when approved by a majority vote of both the House and the Senate.

Another section provides that a disabled President may inform the Congress that he is unable to discharge the duties of his office. When he does this, the Vice President becomes Acting President until the President informs the Congress that he is able again to carry out his responsibilities.

In the event that a President is disabled but unable or unwilling (because of unconsciousness, insanity, etc.) to take the above action, the proposal authorizes the Vice President, with the consent of a majority of the Cabinet, to assume the Chief Executive's duties as Acting President. The Vice President would act until the President notified the Congress that his disability no longer exists. If a dispute should arise between the President and the Vice President as to the President's competency, the issue is to be resolved by the Congress. It would take a 2/3 vote in both houses to prevent the President from carrying out his powers and duties.

The need for solving the problem of presidential inability and of providing for a new Vice President upon the death of a President has been recognized for a long time. The sponsors of this amendment agreed that it was not a perfect one, but it was the result of years of study and had the support of outstanding legal scholars. I strongly endorsed the proposal as a fair and constructive solution to two serious constitutional problems.

During consideration by the House a motion was made to remove the section authorizing the new President to nominate a new Vice President. It was argued that the present law which places the Speaker of the House (an elected official) next in line for the presidency is satisfactory. Objection was also raised to giving one man (the new President) the right to appoint the person who could become the next President, possibly without ever being elected to any office. The point that Congress must ratify the nomination was discounted as rather meaningless in view of the emotionalism

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attending the death of the President. But the motion to eliminate this section from the amendment was defeated 44 to 140.

Concern was also expressed that an unscrupulous Vice President in league with a majority of the Cabinet could dislodge a President "from his awesome powers" and put the President "in the position of having to win back his position by persuading Congress of his fitness." This argument was rejected on the basis that we must assume that our highest elective and appointive officers will be honest, honorable, and patriotic leaders. In fact, our very system of government rests on this assumption.

THIRD APPROPRIATION BILL: The House has passed the third of its 12 appropriation bills in the amount of \$6.6 billion for the Treasury and Post Office Departments and the Executive Office of the President.

President Johnson had asked for \$6.7 billion which the House reduced by \$104 million. Even with this cut the cost for running these agencies in 1966 will be \$366 million above the cost for this year.

The Post Office Department will get \$5.3 billion. It estimates its postal revenues at \$4.6 billion leaving a deficit of about \$700 million to be made up by the taxpayers.

It is interesting to note that President Johnson requested \$125,000 more to operate the White House Office next year than was received this year. This puts the cost at \$2,855,000 for 1966.

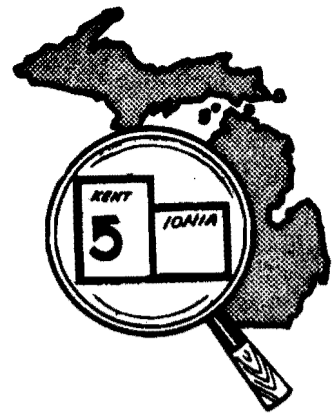
THE PUBLIC DEBT: Included in the appropriation for the Treasury Department is an amount of \$50,330,000 for "administering the public debt." This is an increase of \$760,000 in one year for the Bureau of the Public Debt which "manages" our indebtedness.

Not only are we going further and further into debt, but it is costing us more and more to do so -- in interest and in "management charges."

On April 8th the national debt stood at \$317.8 billion. This is an increase of \$6.5 billion over the same date one year ago. Each billion dollar increase in the debt means an increase in the annual interest charges of \$33.3 million. Interest charges for 1966 are presently estimated at \$11.6 billion. In 1960 the comparable figure was \$9.2 billion when the debt was "only" \$286.5 billion.

OBSCENE MAIL: The House has passed H.R. 980, which I supported, to make it easier for every person, particularly a parent, to keep obscene material from his mail box. Under the terms of this bill, any person has the right, when he or his child receives mail which in his opinion is obscene, lewd, lascivious, indecent, filthy, or vile, to ask the Postmaster General to notify the sender to send no more mail to him or his child unless he himself has solicited it. The Postmaster General must so inform and order the sender.

Should the sender violate this order, the Postmaster General serves him with a formal complaint and gives him 15 days to answer the charge. If, following an appropriate hearing, violations continue the Postmaster General can ask the Attorney General to apply for a court order against the sender. Continued violations would be punishable as contempt of court. This seems to me to be a fair and proper way to get at a serious, practical problem.



Your Washington Review

by
Congressman
JERRY FORD



April 28, 1965

The bulk of our mail during the past week concerned legislation designed to further control the traffic in firearms. The bills most frequently mentioned were S.1592 introduced by Senator Dodd at the request of President Johnson, and H.R. 5642 introduced in the House of Representatives by Mr. Casey.

Most of our letters object strenuously to S.1592, the Administration's bill, which is with the Senate Judiciary Subcommittee on Juvenile Delinquency. The Subcommittee expects to open hearings on the bill during the latter part of May. An identical bill, H.R. 6628, has been introduced in the House and referred to the Committee on Ways and Means which has scheduled no action on it.

S.1592 would require firearms importers, manufacturers, or dealers to have a federal license and pay a fee ranging from \$100 to \$1000 per year. Any applicant for such a license must be at least 21 years old, not under indictment or convicted as a felon, and found likely to conduct his operations in conformity to the law. He must keep adequate records of the receipt and disposal of firearms and ammunition.

If S.1592 should become law a licensee could sell firearms to a person only after determining his true identity and address, and that he is at least 21 years old (18 for a shotgun or rifle), and that he may legally receive or possess firearms under state or local law. The buyer must be a resident of the same state as the licensed seller except in the case of sale of a shotgun or rifle. Sale of firearms is prohibited to felons, fugitives, and persons under indictment for felonies.

The adoption of this bill would get at part of the mail order gun problem by making certain interstate shipments to a non-licensed person illegal. The bill would not prohibit a person from carrying a rifle or shotgun from one state to another "for a lawful purpose." Normal local transactions involving sporting firearms will not be covered by the bill but those who desire special guns or who reload ammunition may be affected.

The bill generally favored by our correspondents is H.R. 5642, presently with the House Committee on the Judiciary which has scheduled no action on it. The bill contains only six lines and states that whoever, while committing one of the seven serious crimes listed, "uses or carries any firearm which has been transported across the boundary of a State, the District of Columbia, or a territory or possession of the United States shall be imprisoned for twenty-five years." This bill would apply only to those who commit felonies.

Other bills on this subject include S.14, S.1180, S.1591, and H.R. 7472 but

the two described above have been mentioned most frequently in our mail.

WATER POLLUTION CONTROL ACT: Scheduled for passage by the House this week is S.4 as amended by the House Committee on Public Works. This bill providing for federal assistance to control water pollution and promote sewage treatment was quite unsatisfactory as passed by the Senate. But the House Committee amended the bill to meet major Republican objections. As the minority members state in their report, "the deliberations of the committee were conducted in a gratifying bipartisan atmosphere" and "we view the reported bill as the product of careful, bipartisan deliberation."

Republicans had objected to the provision of S.4 which authorized the Secretary of HEW to prepare regulations for standards of water quality to be applicable to interstate waters. They felt that these standards should be set by the state and local agencies "which are most familiar with all aspects of the matter in a given locality." They objected to putting control over water in the hands of a single federal official and pointed out that to do so would discourage the states and local agencies from developing their own plans and standards for water quality and purity.

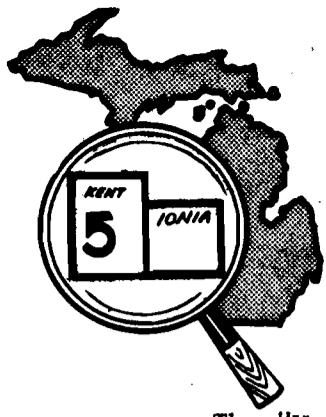
The House bill requires the states to develop their own standards for water quality in interstate waters before being eligible for financial grants under the bill.

Republicans also felt that the increase in grants for water treatment works from \$100 to \$150 million for the next two years should be coupled with a requirement that the states participate in matching funds with the federal government and local communities. The Committee agreed to a plan whereby a state must match, dollar for dollar, any funds it receives from the additional \$50 million authorized. Republicans said this is "a step, albeit a small step" in the right direction. While there are still some points of disagreement, Republican Committee members recommended passage of the House version of S.4.

A SUMMER SCHOLARSHIP: Mount Vernon Junior College in Washington, D. C. is offering a full scholarship to one young lady from the Fifth District for its "Washington Summer Program in American Politics and Government." In session from June 21st through July 30th, this summer program offers up to six hours of college credit in American government, domestic politics, foreign relations and American studies.

The scholarship covers tuition (\$35 per credit hour) and the comprehensive fee for room and board (\$260). The winner of the scholarship will pay only her transportation to and from Washington, books, laundry, and incidentals.

The scholarship is open to women students from accredited two and four year colleges in the U.S. provided their home is in the 5th District. Anyone interested should immediately write to Mr. Otis L. Graham, Assistant to the President, Mr. Vernon Junior College, 2100 Foxhall Road, Washington 7, D.C. to explain an interest in the scholarship and to indicate a legal residence in Kent or Ionia Counties. This scholarship is being offered in the Fifth District because I am serving on the Advisory Committee for the Washington Summer Program, but the final selection for the scholarship will be made by the College.



Your Washington Review

by
Congressman
JERRY FORD



May 5, 1965

The "Water Quality Act" which I mentioned last week was passed unanimously on Wednesday by a vote of 396 - 0. The bill, S.4, as amended by the House, sets up in the Department of Health, Education, and Welfare, a "Federal Water Pollution Control Administration" to consolidate all of Uncle Sam's efforts to reduce water pollution.

The bill authorizes a four-year program of grants at \$20 million per year to develop projects which will demonstrate new or improved methods of controlling waste discharges from storm sewers or combined storm and sanitary sewers. An additional \$150 million is authorized for each of the next two years for matching funds for the construction of waste treatment plants. The limit to the amount of federal funds for a single project serving one community is raised from \$600,000 to \$1.2 million. If two or more communities work together on a project the limit is \$4.8 million.

It was pointed out during consideration of the bill that in 1962 we in the U.S. used 343.42 billion gallons of water a day. The estimated need for this year is 371.7 billion gallons a day and by 1970 the amount will be 411.2 billion gallons. The Department of Commerce predicts that we may see "a water deficit of serious proportions ..., 85 billion gallons a day short in 15 years, 350 billion gallons a day short in just 35 years." As the Chairman of the Committee on Public Works stated, "It is unthinkable that we should allow such a calamity to happen. The prospect of a scientific breakthrough which will make the large-scale conversion of salt water to fresh water at a reasonable price excites the imagination. There is another course, less dramatic, which we must exploit to the fullest. That course is the control of pollution, so that water can be used and reused for all legitimate purposes."

HEALTH SERVICES LEGISLATION: Scheduled for consideration by the House this week are three bills having to do with health services and recommended for passage by the Committee on Interstate and Foreign Commerce. H.R. 2984 would extend for three more years a program due to expire on June 30, 1966 under which federal assistance is provided for the construction of health research facilities. Under this program, in operation since 1956, medical, dental, and health professions schools are aided by matching funds in development of research buildings and other facilities. Since 1956 a total of 26 projects have been approved in Michigan and \$11.2 million awarded for these projects. Nation-wide there have been 990 project awards in the amount of \$320 million. The bill authorizes an additional \$280 million for the next three years.

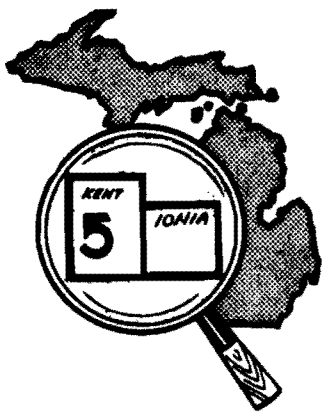
The second bill, H.R. 2986, continues and extends the immunization program of the Public Health Service. The first major program of federal assistance for

immunization was established under President Eisenhower in 1955 in connection with the campaign against polio. Since then over \$80 million have been appropriated to provide vaccine and to fight polio, diphtheria, whooping cough and tetanus. In 1950 there were 410 deaths from diphtheria; by 1962 this was down to 41. There were only 60 deaths from polio in 1962 compared to 3,145 in 1952.

On the other hand, measles took the lives of 468 persons in 1950 and 408 in 1962. It is estimated that about 4 million cases occur each year. Under H.R. 2986, programs are planned to achieve immunization against measles of all susceptible preschool children through increased clinic activity, programs in special problem areas, close cooperation, and with private physicians. Measles vaccine will be purchased for distribution at the state and local level. It is estimated that 8 million of the 15 million currently susceptible preschoolers and 12 million newborn infants will be immunized against measles under the program provided in H.R. 2986. The bill authorizes \$11 million a year for three years for this purpose.

The third bill, H.R.2985, is the most controversial of the group. It would authorize the appropriation of \$172 million during the next four years to help pay the cost (salaries, etc.) of staff members of community mental health centers. When the House approved the 1963 Senate bill providing federal assistance for the construction of these centers it eliminated completely any federal assistance for personnel costs at the local centers. The Senate bill had contemplated staffing grants only to those centers which received construction grants. Now H.R. 2985 would extend the program by authorizing staffing assistance to all centers whether or not they received construction assistance. This is another example of how the foot-in-the-door soon becomes the hand-in-the-till. And when four years have passed there will be a "great need" for more millions to follow those authorized by this bill.

THE ANTI-POVERTY STRUGGLE: We have all heard of the testimony being submitted to the Subcommittee on the War on Poverty: how the bureaucrats are getting the gravy and the poor a few crumbs; how the administration of the program is politics riddled, and how dictation from Washington spells failure. Mr. Malcolm Lovell, Director of the Michigan Economic Opportunity Office told the Subcommittee that, "There are some people in Washington, who from the very early days when the Act was first written, were fearful of the State's playing a significant role in the Administration of the Act. As a result, many administrative decisions have been made which purposely ignore the state and which have, at least in the judgment of this office, made it more difficult for the total state effort to be accomplished. The decision of the Office of Economic Opportunity to prohibit the state technical assistance agencies from advising the Governor on various programs submitted to him, is one example of an unfortunate administrative decision."



Your Washington Review

by
Congressman
JERRY FORD



May 12, 1965

I fully supported President Johnson's request for an additional \$700 million to carry on our military operation in Viet-Nam. I have endorsed his military action in the Dominican Republic.

When the military budget was formulated last fall we did not have 35,000 or 40,000 military personnel in South Viet-Nam. We did not have 14,000 or 15,000 U. S. military personnel in the Dominican Republic. We must face the fact that conditions have changed and that operations of this magnitude are costly. If we in the Congress are to err in providing military hardware for those who are serving on the frontlines for the defense of freedom and our own country, we should err on the side of generosity. However, I am not advocating a policy of spending for spending's sake or "anything goes in the Department of Defense." Civilian and military officials will be held accountable for the expenditure of these additional funds by the Committee on Armed Services and the Committee on Appropriations.

I urged an affirmative vote on this additional expenditure as a means of reassuring our servicemen that we in the Congress support their efforts and appreciate their sacrifices. We as Republicans voted for the increase in defense spending to show the Communist conspirators and the entire world that the American people are united in their determination to support the President's firm position in Viet-Nam and the Dominican Republic, or wherever we must meet the challenge of Communism. The \$700 million request was approved in the House by a vote of 408 to 7. All Republicans voted "yes."

MILITARY PROCUREMENT AND RESEARCH: On the same day the House approved a \$15.3 billion authorization bill for 1966 to provide aircraft, missiles, and naval vessels, and for research and development for the armed forces. The R and D funds totaled \$6.4 billion.

Under this bill the Army is authorized \$345 million to purchase 1,118 aircraft and \$254 million to obtain 32,218 missiles. The only new item for the Army is a missile called the "Chaparral," to be used as a ground-to-air missile to knock down airplanes in battlefield areas.

The Navy's share includes \$1.9 billion for 659 aircraft and \$377 million for 4,463 missiles. It will receive \$1.6 billion to pay for 62 new ships and to convert 12 others. The Committee on Armed Forces which recommended the authorization bill included funds for the construction of a third nuclear-powered missile frigate. The

Navy had requested this ship but the Secretary of Defense denied its request. The Chairman reported that the "Committee feels that the Department of Defense has been extremely dilatory in pushing nuclear power for surface ships."

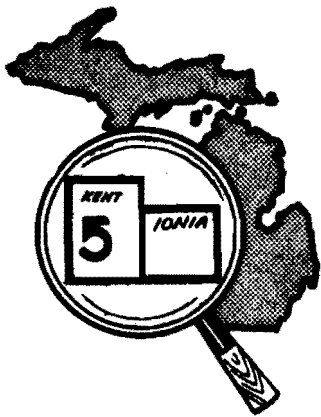
The bill also provides \$3.5 billion to purchase 517 aircraft for the Air Force and \$771 million to purchase 1,509 missiles. The only really new item in the Air Force program is the SR-71 aircraft (a version of the A-11), flying over 2000 miles an hour and representing a major advance in reconnaissance aircraft.

FOURTH APPROPRIATION BILL: The \$7.9 billion 1966 appropriation bill for the Department of Labor and the Department of Health, Education, and Welfare, and related agencies was approved by the House last Tuesday. This was the fourth of the 12 regular money bills which must be adopted each session. The usual pattern was followed: President Johnson requested \$8.2 billion which is \$591 million more than the departments are receiving this year; the Committee on Appropriations cut the President's request by \$330 million, but the final amount is \$261 million above the cost to the taxpayers for this year.

The \$7.9 billion allocation will be increased later in the session when funds are appropriated for the so-called "poverty program" and for other offices and functions not included in this bill. In the words of the Committee these additions "will involve a substantial amount of funds." These "funds" are your tax dollars. In fact, the increased amount may total more than \$3 billion.

It is significant also that the Democratic-controlled Committee on Appropriations said in its Report that "The budget presentation for the Department of Labor was a mass of confusion from beginning to end."

The Democratic Chairman of the Sub-Committee reporting this bill was critical, too, of the President's handling of the budget for the National Institutes of Health. He said, "I can wholeheartedly support the President's goals for a Great Society but I cannot understand a program for achieving a Great Society which does not have as one of its primary aims the elimination of the scourge of disease...." He pointed out that the increased cost in research is due to the greater complexity of the work being done and to the greater expense in connection with more effective and accurate instruments for meeting the more exacting demands of modern research. The Institutes which carry on research in cancer, mental health, heart disease, blindness, arthritis and other human ailments were allotted \$1.1 billion by the bill approved by the House. This is an increase of \$99 million over this year's appropriation and \$12 million more than requested by the President. The \$12 million added by the Committee will go primarily for work in the area of heart, kidney and drug research and some work in cancer. The senior Republican on the subcommittee handling this appropriation said, "I am convinced that the increases for the NIH recommended by the Committee are a sound and wise expenditure of public funds."



Your Washington Review

by

Congressman
JERRY FORD



May 19, 1965

Next week the House of Representatives is scheduled to discuss the "Foreign Assistance Act of 1965," a bill to authorize the appropriation of \$2 billion for the foreign assistance (mutual security) programs beginning July 1st. If this legislation is approved there will be available through this and previous authorizations a total of \$3.3 billion for foreign aid in fiscal 1966.

On May 6 the House approved a \$5.1 billion authorization bill for the National Aeronautics and Space Administration. The largest single item was nearly \$3 billion for the Apollo Program designed to land a man on the moon and return him safely to earth within this decade. Four Republican members of the Committee reporting the bill indicated their reservations about our "space posture" and were specifically concerned with "the apparent low priority which has been assigned to the development of a military space capability, especially when compared with Russia's progress in this area."

Not too much other business of major significance was scheduled for House action either last week or this week except the Appropriation Bill for the Independent Offices.

INDEPENDENT OFFICES APPROPRIATION: Those agencies, commissions and offices of the federal government which are not included within the ten departments of the Cabinet obtain their funds through what is called the Independent Offices Appropriation Bill. Last Tuesday the House approved a \$14 billion appropriation to operate these agencies during fiscal year 1966. Among the agencies included are the National Aeronautics and Space Agency (\$5.1 billion), the Veterans Administration (\$5.6 billion), the Federal Aviation Agency (\$700 million), the Housing and Home Finance Agency (\$780 million), and the Civil Service Commission with \$120 million.

The House cut President Johnson's overall request by \$445 million. The largest single cut was \$105 million for civil defense in the Department of Defense. With this reduction, the office will receive \$89 million bringing the total for civil defense purposes since the inception of the program in 1951 to \$1.3 billion. The House also reduced the President's request for NASA by \$100 million.

The Committee on Appropriations had reduced most of the requests for travel and printing by 15 percent. In its Report the Committee said that it "again urges that more attention be given to excessive expenditures for travel and printing" and that it "expects every agency to continue to review and strictly monitor spending in these

areas." It may be of interest that President Johnson had requested \$84.6 million to pay travel expenses for officials and employees of the offices included in this single appropriation bill. The Committee reduced this to \$75 million which is still a lot of travel money.

We cannot help but observe that those commentators who are so quick to criticize congressional trips could well take a look at the "excessive expenditures for travel" within the Executive Department. We cannot condone waste anywhere but all "waste" as far as travel is concerned is not restricted to congressional trips. In fact, I think it is essential that members of Congress observe governmental activities outside of Washington, provided, of course, this is done in a responsible manner.

During consideration of this bill the House added \$23.5 million to operate the 11 Veterans Administration hospitals, four domiciliaries, and 17 regional offices in case the decision to close these is cancelled or modified. While the House was discussing this issue the President's special committee appointed to review the proposed closing recommended that five of the 11 hospitals be kept open along with two of the four domiciliary homes. The special committee also suggested that eight of the 17 regional offices be retained so that there would be at least one VA regional office in each state. The final decision on the closings is up to President Johnson but money will be available for any of the VA facilities he decides to keep open.

GOVERNMENT-OWNED LAND IN MICHIGAN; Over 20 percent of the land in our State of Michigan is owned or controlled by the federal or state government and exempt from taxation. Additional acreage is owned by local units of government or exempt from taxation for other special reasons.

There are 36,492,160 acres of land in Michigan. Of these Uncle Sam owns 3,252,052 and the state 4,306,728 acres. We have 17,272 acres of tax-exempt Indian land, making a total of non-taxable land of 7,576,056 acres or 20.8 percent of the whole.

Throughout the entire country, federal, state, and Indian lands account for 39.5 percent of the total acreage. Omitting Alaska, Nevada with 87.2 percent of its land area tax-exempt leads all the states in this regard while Iowa with only 9/10 of one percent has the least amount of government-held land.

AGGRESSION FROM THE NORTH: In February the Department of State issued a "White Paper" entitled "Aggression from the North." This is a 64-page documented and illustrated record of North Viet-Nam's campaign to conquer South Viet-Nam. A limited number of copies have been made available to each member of Congress. I will be pleased to send a copy upon request as long as the supply lasts. Please address me at the House of Representatives, Washington, D. C.



Your Washington Review

by
Congressman
JERRY FORD



May 26, 1965

President Johnson sent two special messages to the Congress last week. The first recommended a reduction in certain excise taxes and an extension and increase in others.

The increases include upping the tax on diesel fuel from 4¢ to 7¢ a gallon and raising the use tax on heavy trucks from \$3 to \$5 per 1000 pounds. The 5 percent tax on airplane tickets is to be continued; a new tax is to be levied on air freight; and a tax of 4¢ a gallon will be paid on aviation gasoline with a 2¢ tax on jet fuel. There is also to be a tax of 2¢ per gallon on all fuel used on the inland waterways. These new revenues are expected to bring in about \$300 million a year.

Under the proposal submitted to Congress the retail excise taxes on handbags and luggage, toilet articles, jewelry and furs would be repealed as of July 1st. Also to be removed are the taxes paid by the manufacturer (and passed on to the consumer) on such items as sporting goods, radios, TV, musical instruments and cameras.

The President proposed that the excise tax on automobiles be reduced from 10 percent to 7 percent, effective on all consumer purchases after May 14th. The auto tax would be cut further to 6 percent on January 1st, and to 5 percent on the first day of 1967. Mr. Johnson wanted this 5 percent tax to become permanent. However, the Committee on Ways and Means has decided to revise the schedule of reduction so that the auto excise tax will be completely eliminated on January 1, 1969.

A reduction was recommended in the telephone tax from 10 percent to 3 percent effective January 1st. A further reduction of one percentage point would be made each January 1st through 1969 when the tax will be completely repealed. These recommended tax reductions will amount to nearly \$4 billion a year.

For many years Republicans have advocated reduction or elimination of these excise taxes. Republican Congressmen from Michigan have taken the lead in advocating cuts in the automobile excise tax. We are pleased to see that the Administration has come around to our way of thinking.

But as Republicans we are also concerned with fiscal responsibility, with the recurring annual deficits, and the growing national debt. If we are to have this reduction in revenue, we must also find a way to reduce non-defense spending. Unfortunately President Johnson, instead of cutting back on non-defense spending, has urged an increase in such expenditures. This is particularly disconcerting when we realize that the United States right now is committed militarily in two theaters of conflict 6,000 miles apart.

THE LABOR MESSAGE: In the President's second message of last week he proposed the extension of the federal minimum wage law to cover 4.5 million workers not presently subject to this law. Included could be those who work in some retail stores, laundries, hotels, motels, and restaurants, hospitals, theaters, and in construction.

Those who work over 48 hours a week in employment now covered by the law would be paid double wages for overtime. After three years this cutoff would be reduced to 45 hours. Time and a half pay would continue to apply for those who work between 40 hours and the cutoff.

The full implication of these proposals must be carefully analyzed by the Congress. We all want to be sure that any benefits which may accrue from the enactment of these proposals will not be nullified by further inflation, greater unemployment, and serious injury to small businessmen.

I was pleased to note that the President recognized some of these problems by stating that there is a question about when and by how much the \$1.25 minimum wage should be increased. He said: "The Congress should consider carefully the effects of higher minimum wage rates on the incomes of those employed, and also on costs and prices, and on job opportunities -- particularly for the flood of teen-agers now entering our labor force." I agree. And I sincerely hope that those who share this view and are concerned with these problems will not be labelled "anti-labor."

The President also recommended the repeal of Section 14(b) by the Taft-Hartley Act. This is the provision which gives to each state the authority to prohibit compulsory union membership. At the present time 19 states have enacted legislation under Section 14(b). Compulsory union membership is a very controversial issue with strong arguments on both sides. It seems to me that the solution developed by the Taft-Hartley Act is sound, permitting each of the states to make its own determination, and that the provision should be retained.

FOREIGN AID AUTHORIZATION: Scheduled for debate early this week is the bill (H.R.7750) authorizing the appropriation of just over \$2 billion for the mutual security program. With funds previously authorized this could mean an appropriation of \$3.4 billion in 1966 for military and economic assistance to foreign nations.

Five of 12 Republican members of the Committee on Foreign Affairs outlined their "minority views" in the Committee's Report. They pointed out that on June 30th there will still be available for foreign assistance \$9 billion, appropriated but not yet spent. They also stressed the drain on the U.S. gold supply resulting from our aid program and the need for stricter control over expenditures. They called for an increased emphasis on channeling funds to projects of a grassroots nature in the nations to be benefited.

While I have supported our mutual security program as an essential part of our national defense system, I believe there comes a time for tapering off, tightening up, and obtaining greater cooperation from our allies.