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acreage being planted in allotted crops. These allotments are already in existence and are being planted and even if Public Law 835 is not amended the acreage will go into an allotment pool and will be available for allotment under the provisions of that act. The allotment will be in existence even after the land is inundated.

It is simple justice to take care of people being displaced in the construction of Federal reservoirs. The Government, with or without the consent of the owners, purchases or condemns these lands. It is often times years before the actual flooding takes place and in the meantime the former owners are given a priority in leasing them. In the Eufaula Dam area in my district, and I am sure there are comparable situations throughout the country, some of the better land of the county is being taken over because bottom lands are taken when these big lakes are built. Some of the displaced farmers have farmed these lands since before statehood—50 or 60 years, with farms having come down through generations. The allotments on their land are geared to their farming operations. The farms are valueless without the allotments and conversion to any other kind of operation would require many years work and untold expense.

Another consideration is that unless farmers can begin now to plan for next year, they will be faced with the forced sale of their equipment at considerable loss since there will be so many sales in a short time. In addition, many farmers, and this is true in my district and others, are finding it practically impossible to find a farm to rent in so short a time.

It is important to remember that the amount of land devoted to these restricted crops in reservoir areas is relatively insignificant in terms of State and national acreage. Furthermore, these allotments have been planted for years and will not contribute to the surplus. But the loss of these crops is a personal disaster to the farmers involved and an economic blow to their areas. If the Government is to deal fairly and responsibly with a hardship situation created by Federal construction, it is compelling upon it to correct a problem which has arisen inadvertently through the enactment of Public Law 835.

Mr. Speaker, I reserve the balance of my time.

Mr. HOEVEN. Mr. Speaker, I reserve the balance of my time.

Mr. EDMONDSON. Mr. Speaker, this bill is necessary to correct a serious inequity in the law regarding acreage allotments in areas where farmers are displaced through exercise of eminent domain.

In our State of Oklahoma, where thousands of acres are being acquired for needed reservoir construction, we can substantially reduce the hardship of hundreds of our citizens under this proposal.

The able gentleman from Oklahoma [Mr. ALBERT], who is one of the greatest friends the American farmer has in Washington, has clearly explained the terms of the bill and its need to correct an injustice.

I join my colleague in urging favorable action on this bill.

Mr. ALBERT. Mr. Speaker, I move the previous question.

The previous question was ordered.

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

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

(Mr. ALBERT asked and was given permission to revise and extend his remarks.)

GENERAL LEAVE TO EXTEND
REMARKS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks in the RECORD immediately preceding passage of the bill H.R. 8343, and that all Members may have 5 legislative days in which to extend their remarks in the RECORD on this legislation.

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

There was no objection.

A TRIBUTE TO LABOR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 435, which I send to the Clerk's desk.

The Clerk read the House concurrent resolution, as follows:

Whereas American labor has raised its standards of productivity to heights unequalled in world history; and

Whereas the efforts of American labor have brought to this country a standard of living that has no parallel; and

Whereas American labor has served the Nation in peace and war; and

Whereas American labor has been a bulwark of freedom; and

Whereas the first Monday in September is traditionally set aside to commemorate the services of working men and women to our Nation: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Congress does hereby express its deep realization and appreciation of the basic role that labor plays in our economy and of the contributions that American working men and women have made to America's well-being.

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

There was no objection.

The SPEAKER. The question is on the House concurrent resolution.

The House concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

SUSPENSION OF THE RULES

Mr. McCORMACK. Mr. Speaker, I move to suspend the rules and pass House Resolution 379, which I send to the Clerk's desk.

The Clerk read the House resolution, as follows:

Resolved, That it shall be in order for the Speaker at any time on Thursday, Sep-

tember 10, 1959, and at any time during the remainder of the week, to entertain motions to suspend the rules, notwithstanding the provisions of clause 1, rule XXVII.

The SPEAKER. Is a second demanded?

Mr. HALLECK. Mr. Speaker, I demand a second.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GROSS. Mr. Speaker, is the gentleman opposed to the resolution?

Mr. HALLECK. No.

Mr. GROSS. Mr. Speaker, I demand a second.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, this resolution speaks for itself, I reserve the balance of my time.

Mr. GROSS. Mr. Speaker, I yield myself such time as I may consume within 20 minutes.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, I have no copy of this resolution before me. There is probably only one in existence and it is at the Speaker's desk. Let me ask the gentleman, this provides for suspensions over what period of time?

Mr. McCORMACK. Thursday, Friday, and Saturday of this week.

Mr. GROSS. This resolution, if adopted by the House, will give the leadership of the House authority to bring in legislation during those 3 days, regardless of what it is and without conforming to a rule of the House which provides that 6 days prior to adjournment, upon adoption of an adjournment resolution, suspensions may be in order.

Now you are asking for authority to bring in legislation at any time during the 3 days specified, without previous notification to the Members of the House, and without having adopted an adjournment resolution; is that correct?

Mr. McCORMACK. Well, the gentleman overlooks the fact—and I am sure when I call it to his conscious mind, he will appreciate it—that this does not abdicate authority. The leadership is very careful in regard to it. Any bill that is brought up on this basis has to receive the approval of the Speaker, of the minority leader, and the majority leader. Even if anyone does not approve of it, the bill will not come up. That is an arrangement that we have had throughout the years from time to time.

Mr. GROSS. If who does not approve of it?

Mr. McCORMACK. Any one of the leadership. I might advise my friend—and I am sure he will remember it—that the leadership does not exercise that as an arbitrary power. The Speaker and I do not put down bills on the list, on the agenda, without consulting with the Democratic Members, and then seeing

that the Republican Members are consulted with. And, the Republican leader naturally does the same thing. So, this resolution thoroughly protects the rights of the Members and, as I said before, when I submitted my unanimous consent request last week, insofar as it is humanly possible for me, as majority leader, I will announce the day before the bills intended to be brought up under suspension. That is only after screening.

Mr. GROSS. I am glad—please do not take quite all of my time—that the gentleman says insofar as it is humanly possible to do so, which may have some meaning and it may not have any meaning whatever. In other words, it is entirely within the discretion of the gentleman on any one of those 3 days to call up a bill without previous notice of any kind.

Mr. McCORMACK. No. The matter of discretion and the exercise of discretion are two different things. Now, the gentleman recognizes that.

Mr. GROSS. I hope the Members of the House understand what suspension of the rules means, and I am sure they do, but I want to remind them that it means exactly what is stated; all rules are suspended. You cannot offer an amendment. Debate is limited to 40 minutes and strictly controlled. The House cannot work its will. Not even a motion to recommit is in order. There is a bill coming up, a highly controversial bill, this afternoon under suspension. That bill should never have been brought here under suspension.

Mr. McCORMACK. Under suspension.

Mr. GROSS. I do not want to belabor this issue, but I am unalterably opposed to this method of legislating. Let me say to the Members of the House that I have heard some of you say that it would be well if we could abolish the last 2 weeks of the session because of some of the legislation that goes through. And I point out that this resolution is before you now without the slightest previous notice or warning. Vote for this resolution and you can expect to get some more of that legislation, legislation that perhaps you do not want and you cannot work your will on. Now, go ahead and vote for it, but do not complain thereafter. I am opposed to it.

Mr. Speaker, I reserve the balance of my time.

Mr. McCORMACK. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I think the Members of the House have confidence in the intellectual honesty of the leadership on both sides. Certainly, the leadership on both sides falls over backwards, so that no one Member will feel that there has been a sharp practice engaged in, not only next Thursday, Friday, and Saturday but throughout the entire year.

Mr. HALLECK. Mr. Speaker, is the gentleman speaking on his own time?

Mr. McCORMACK. Yes.

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

Mr. McCORMACK. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Speaker, I just want to say that I have been here not too long, 25 years. I have been here when my side has been in the majority and I am here now and have been here most of the time when my side has been in the minority. So far as I can remember, this sort of an arrangement has always been worked out, and I have found it to be very successful, bringing about orderly determination of legislative matters before us so that we can adjourn in some sort of a reasonable time. So far as I am concerned, I am for this resolution. I am sorry that objection was raised to it. As far as I am concerned, as minority leader, certainly I have been diligent, as diligent as I might have been expected to be, in doing the things that the people on my side expect me to do. There are many areas where we can work together for the accomplishment of things that are good for the country and need to be done, and certainly in that area I want to cooperate with the majority leader. I want to say to the gentleman from Iowa that we had agreed to suspension a little while back.

I called a meeting of not only the leadership on my side of the aisle but the ranking Republican Members and sent over a list of the bills, one by one, to determine whether or not they should come up under suspension. I think out of that list that was submitted to me there were four or five we thought should not come up under suspension. Certainly it seems to me there is no reason why this sort of resolution should not be adopted and I ask the Members on my side to vote for it.

Mr. GROSS. Mr. Speaker, I yield myself 1 additional minute.

The gentleman from Indiana [Mr. HALLECK] says this is orderly procedure but I say to you it is harsh procedure because under this proposal for suspension of the rules the membership may not have adequate notice as to what legislation is to be brought before the House. I point out to you that this House has met on approximately 9 Fridays during the past 8 months. We could have had orderly procedure; we could have considered far more bills under the 3-day-notice rule, so that we would know what is going on, if the Thursday to Tuesday club had not been in operation so much this session. Now we are asked to accept a semigag rule and I protest.

Mr. McCORMACK. I think that is to the credit of the House, acting upon business that has come before the House throughout the weeks.

The SPEAKER. The question is, Will the House suspend the rules and pass the resolution?

The question was taken; and on a division (demanded by Mr. Gross) there were—ayes 163, noes 5.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Under the agreement previously made, further proceedings under this resolution will go over until tomorrow.

COMMITTEE ON WAYS AND MEANS

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means have until midnight tonight, September 7, 1959, to file a report on the bill H.R. 8684, the so-called dealers' reserve bill.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, I have heretofore announced a list of bills that the chairman of the Committee on Ways and Means will sometime this week, and probably tomorrow or Wednesday, call up by unanimous consent. I am adding to that list the bill H.R. 8684 concerning which the chairman of the Committee on Ways and Means has just obtained unanimous consent for the committee to file a report by midnight tonight.

INCREASED PER DIEM ALLOWANCE FOR TRAVEL

Mrs. GRANAHAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5196) to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Travel Expense Act of 1949 (5 U.S.C. 836) is amended by striking out "\$12" and inserting in lieu thereof "\$15".

SEC. 2. Section 4 of the Travel Expense Act of 1949 (5 U.S.C. 837) is amended by striking out "6 cents" and inserting in lieu thereof "7 cents", and by striking out "10 cents" and inserting in lieu thereof "12 cents".

SEC. 3. The second sentence of section 4 of the Travel Expense Act of 1949 (5 U.S.C. 837) is amended by inserting immediately after "the actual cost of" the following: "parking fees."

The SPEAKER. Is a second demanded?

Mr. BARRY. Mr. Speaker, I demand a second.

Mrs. GRANAHAN. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

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

There was no objection.

Mrs. GRANAHAN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, H.R. 5196, reported by the Committee on Government Operations, will amend the Travel Expense Act of 1949 to increase the maximum per diem allowance for subsistence and travel expenses for regular Government employees while engaged on official business from the present \$12 per day to \$15 per day. As you know, the per diem is an amount allowed in lieu of reimbursement for certain actual travel expenses including food, hotel rooms, and incidental expenditures. The bill will also permit the reimbursement of the actual cost of parking fees for privately owned

vehicles when engaged on official business. Furthermore, it will increase the maximum mileage rate for privately owned automobiles and aircraft when used on official business from the present 10 cents per mile to 12 cents per mile, and for motorcycles from the present 6 cents per mile to 7 cents per mile.

This is a bill to give to the President and heads of executive departments and agencies the authority and the discretion to set per diem rates and mileage allowances for employees that are more in line with present-day travel expenses than the existing maximum would allow. I wish to emphasize that the allowances contained in this bill are only maximums. We are merely raising the ceiling. The Bureau of the Budget and the department heads set rates based on their knowledge of the costs, likely to be incurred on a given trip. There are various rates within the departments and between departments—some of which will not be disturbed by this bill. The department head has the discretion and will keep the discretion to set the specific figure so long as it does not exceed the ceiling we put into the law. But it is clear that revision has been made necessary since the last ceiling was set in 1955 and it is the duty and obligation of the Congress to set maximum rates that will not require Government employees to pay the cost of doing Government business out of their own pockets.

We all know that travel costs have increased. The only questions before the committee was how much have they increased.

The bill as originally introduced called for an increase in the maximum per diem from \$12 to \$16 per day. The committee, based on the evidence available of it, reduced the proposed increase to \$15.

The original bill called for an increase in per diem for consultants serving without compensation from the present \$15 to \$16 per day. The committee rejected this increase because it wished to keep regular employees and consultants on the same expense basis as far as may be practicable.

The original bill proposed an increase in the actual expense proviso of the Travel Expense Act and the Administrative Expenses Act—the latter covering consultants—from the present \$25 to \$30 per day. This was rejected by the committee.

The bill as introduced would have raised the mileage allowance for motorcycles from 6 cents to 8 cents per mile. The committee reduced this to 7 cents per mile. It retained the increase for autos and aircraft from 10 to 12 cents.

In all the committee took a conservative approach to the problem while still realistically recognizing the fact of increased cost of travel in recent years.

During our hearings representatives of Government employee organizations presented testimony showing present-day costs of travel and all strongly supported this legislation.

The Bureau of the Budget presented evidence based on data taken from actual expense accounts of Government employees and data from outside sources showing that the total average cost of

subsistence—that is for the items such as food, hotel, and so forth, included in the per diem—was now \$14.30 per day. The full details of the Budget Bureau's study is contained in the report on the bill and the interrogation will be found in the printed hearings. The Bureau proposed an increase in per diem from \$12 to \$14 per day. The committee, however, agreed on \$15 per day inasmuch as the Bureau's own figures showed a cost of \$14.30 per day. Furthermore, the Bureau admitted that its study was not "scientific," thus leaving considerable room for error.

The Bureau of the Budget opposed any increase in auto mileage allowances but members of the committee were aware from their own experience that the cost of operating an auto has increased since 1955. Gasoline is higher, tires are higher, oil is higher, and the autos themselves cost more. As you know, just last week it was the will of the House to raise the gasoline tax 1 cent per gallon. One company which specializes in developing automobile standard allowances estimates that 12 cents per mile is the cost of operating one of the low-priced three cars for 10,000 miles. This estimate takes into account the cost of gasoline, maintenance, and tires, as well as the fixed costs of taxes, insurance, licenses, and depreciation. It was pointed out in the hearings that the Internal Revenue Service recognizes that 12½ cents per mile is a proper allowance for private employers to grant their employees.

The inclusion in the bill of the provision for the reimbursement of parking fees was done on the recommendation of the Bureau of the Budget which had found that this had become a significant item of expense to Government employees who use their cars for official purposes and upon the fact that reimbursement of similar costs such as toll charges are already authorized by law.

The provisions in the original bill redefining the term "continental United States" were deleted inasmuch as this would have reduced the present subsistence allowances for travel in Alaska and Hawaii. Travel costs in Alaska and Hawaii are still higher than in the mainland States and under existing regulations issued by the Bureau of the Budget higher per diem allowances are paid.

We were not able to obtain any accurate estimates of the total cost to the Government of the increases in maximum rates proposed by this bill. During the hearings the Bureau of the Budget made a rough informal estimate that an increase in the per diem rate from \$12 to \$14 would possibly cost in the neighborhood of \$20 million, and that this could be absorbed in the 1960 budget without supplemental appropriation requests. Following this rough estimate the increase to \$15 as proposed here may cost in the neighborhood of \$30 million. The committee anticipates that this figure may also be absorbed.

Reliable figures on the cost to the Government of any increase in mileage allowance are likewise not available. The Bureau of the Budget acknowledged this. We do know that the maximum mileage rate is relatively meaningless so far as

computing costs to the Government is concerned. Much of the travel authorized by the various departments and agencies is at a rate below the authorized maximum. A substantial amount of auto travel may not exceed the cost of travel by common carrier. In these cases frequently more than one official Government traveler travels in the same automobile. Only one mileage rate is authorized, and the Government saves the transportation costs of one or more employees. As the report states: "If figures were available taking into account all of these factors, it is not unreasonable to believe that the net cost to the Government of the proposed 2 cents per mile increase would be insignificant. In no case may auto mileage be authorized in excess of the cost of travel by common carrier unless there is a determination that transportation on a mileage basis is more advantageous to the Government."

I believe that the bill, H.R. 5196, is a fair and reasonable exercise of our legislative responsibilities. We only seek to do justice to our Federal employees who must necessarily travel to perform their duties.

I hope the bill will be passed by an overwhelming vote.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentlewoman yield?

Mrs. GRANAHAH. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am very much impressed with the very fine explanation of the bill by the gentlewoman from Pennsylvania and am impressed by her fairness. I have seen the gentlewoman from Pennsylvania at meetings of Federal employees. Anyone who has will agree it is a rare sight because of the affection, respect, admiration, and appreciation they have for her and her very fine work. They are her most loyal and enthusiastic supporters.

I am very sure this bill will pass because it is only a matter of justice to our dedicated civil servants, a reimbursement of money that should be theirs for expenses for things needed to do the Government's work. Again I commend the lovely and the gracious Mrs. GRANAHAH, who is working so hard in the interest of the Federal employees, and for good and efficient Government.

Mrs. GRANAHAH. I thank the distinguished gentlewoman from Massachusetts for her very fine remarks and her great contribution to this bill.

Mr. FASCELL. Mr. Speaker, will the gentlewoman yield?

Mrs. GRANAHAH. I yield to the gentleman from Florida.

Mr. FASCELL. I would like to commend the gentlewoman for the very clear analysis she has before this House of the legislation under consideration. I would like to ask her this question: Is it not a fact that the basis upon which the figures were arrived at in the committee is the same basis that is used by industrial concerns throughout the country?

Mrs. GRANAHAH. That is correct.

Mr. LANE. Mr. Speaker, will the gentlewoman yield?

Mrs. GRANAHAH. I yield to the gentleman from Massachusetts.

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Mr. LANE. I, too, want to compliment the gentlewoman for her very fine report on a very, very important bill. I am satisfied, too, that the gentlewoman from Pennsylvania [Mrs. GRANAHAN] and her very able committee having studied this subject at some length and have brought in to us a very fine report and I wish to congratulate her upon her excellent presentation.

Mrs. GRANAHAN. I thank the gentleman from Massachusetts.

Mr. LANE. Mr. Speaker, the Travel Expense Act of 1949, as amended in 1955, must be updated, to accord with present realities.

No fairminded person expects that employees of the Federal Government who must travel on official business, should dig down into their own pockets to pay for such expenses.

Apart from equity, it is a practical impossibility for Federal employees to do so, because their wages and salaries are substandard in the first place.

Expense accounts which cover more than lodgings, meals, and transportation have been recognized as an essential cost of doing business by private enterprise for generations. Employees can draw on their respective companies for travel expenses necessary in the performance of their work, or be reimbursed for the same.

We are asked to amend the Travel Expense Act of 1949, as amended in 1955.

It is time that we did so, because the per diem standards of 4 years ago are hopelessly inadequate today. Unless we upgrade these allowances to a realistic level, we shall force more and more experienced employees out of the Government service in sheer self-defense. The present obsolete per diem allowance and mileage allowance compels them to pay for the difference between such frozen allowances and actual costs, out of their own meager salaries. In effect, it results in a pay cut.

Small wonder that the wasteful turnover in Government personnel is higher than in any other group of employees.

Even the Bureau of the Budget has admitted that the total average cost of the subsistence items included in the per diem is now \$14.30 per day and not \$12 as the present law provides.

The Bureau's testimony stated that: "In our review we found that the present \$12 maximum is inadequate to cover the subsistence expenses which a traveler would normally incur in a day." The Bureau arrived at this conclusion after a study of actual expense accounts of Government employees, including hotel rooms, meals, and such incidental expenses as tips, fees, laundry, cleaning, and pressing, telegrams for room reservations, and so forth.

But this cost figure is an unweighted average of the lowest set of expense figures.

This bill also provides for an increase in mileage allowance from 10 to 12 cents for the use of privately owned automobiles and airplanes used by Government employees on official business.

It is apparent that the cost of operating an automobile has increased during the past 4 years.

The Internal Revenue Service recognizes that 12½ cents per mile is a proper and reasonable allowance for private employers to grant to their employees for travel expenses incurred in the course of their work.

Not only is the cost of the automobile itself, and the cost of gas, oil, tires, considerably higher than in 1955, but the maintenance costs, insurance, and taxes have also gone up.

Opposition to the recommended increase in mileage allowance for Government employees become academic in the fact of congressional action authorizing a penny-a-gallon increase in the Federal gasoline tax. For good reason, the Congress itself has added to the cost of operating a car.

The costs of travel subsistence and the cost of operating an automobile on official business have both increased since 1955.

If we are to retain dependable Federal employees and avoid the much greater cost of excessive turnover in Government personnel, we must provide them with realistic allowances while they are traveling on official Government business.

If we do not, they will have to cut corners, resulting in an impairment of their efficiency and a loss to the proper functioning of Government.

By raising the maximum per diem from \$12 to \$15 and the mileage allowance from 10 to 12 cents per mile we shall avert this danger.

H.R. 5196 will hold the line against deterioration in Government service caused by false economies.

(Mr. LANE asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Iowa. Mr. Speaker, will the gentlewoman yield?

Mrs. GRANAHAN. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I would like also to commend the gentlewoman for the great work she has done in the committee and the way she pressed hard in our committee for this legislation. I would like to ask her if this is not true: That what we are doing is trusting the administration within this ceiling. They may set the rate as much lower as they deem necessary in appropriate cases. Is that right?

Mrs. GRANAHAN. That is true; they do not have to use the maximum.

Mr. SMITH of Iowa. And, in addition to that, in no case can this automobile mileage be authorized where the rate by common carrier is lower, unless in those cases where it would be deemed advantageous for some other reason to have the travel done by automobile rather than by common carrier. Is that true?

Mrs. GRANAHAN. That is true.

Mr. BARRY. Mr. Speaker, I yield myself such time as I may consume.

(Mr. BARRY asked and was given permission to revise and extend his remarks.)

Mr. BARRY. Mr. Speaker, it is with a certain feeling of regret that I feel it necessary to oppose the gentlewoman from Pennsylvania because I know she is devoted and sincere in her efforts to

make this bill workable so far as the employees of the Government are concerned and for the betterment of good Government. However, I would be remiss in my obligations were I not to point out that there is a certain carelessness in this legislation when we say to a department of Government: "The maximum you are allowed by regulation to spend for travel allowance is 8 cents per mile, but by statute Congress is now allowing 12 cents per mile." Either this Congress is economy minded and we are going at economy from the standpoint of principles or we are careless. Are we going to set the price at 12 cents a mile when there is not a business in the Nation that allows more than 10 cents a mile? I believe if you are going to establish the principle of economy the place to do it is right here in the Congress. How is a bureau of our Government going to practice economy when we here say: "Go ahead, up it to 12 cents a mile"? There is only 5 percent of the businesses in the Nation that even allow 10 cents a mile. Ninety percent of them allow 8 cents a mile or below. So, from the standpoint of principle, it shows a certain carelessness or callousness with regard to the efforts this Nation is presently engaged in when we hear the maximum shall now be 12 cents per mile.

There is another part of this bill which we did not object to very strenuously, but which demonstrate the same type of carelessness. The other phase of the bill has to do with the per diem allowance for travel. I refer you to paragraph 3 of page 48 of the hearings, and I would like to read to you the statement which I made then:

I have had an opportunity to look over the 1955 hearings before the Subcommittee on Government Operations. The same two firms were employed by the Bureau of the Budget; namely, Harris, Kerr, Forster & Co., were employed then and they also are employed presently. In the 1955 hearings, it is stated that the firm of Harris, Kerr, Forster & Co. quoted the single room average in 1954 was \$7.30. The new rate for that same grouping—is \$9.04, representing an increase of approximately 20 percent. Also employed in 1955 was the firm of Horvath & Horvath, and at that time they estimated the rate was \$6.82 for a single room. At the present the average single room rate by the same company is \$8.11. There again that represents an approximate 20 percent increase in cost. Therefore, I am led to the conclusion that when the Director of the Bureau of the Budget in his recommendations raised the expense allowance from \$12 to \$14, he was following a consistent pattern and we would be well advised to stay within the confines of our actual cost experience.

May I also refer you to page 16 of the hearings of the 86th Congress which gives a summary of the Bureau of the Budget recommendations. The distinguished gentlewoman from Pennsylvania [Mrs. GRANAHAN] referred to the increase in tax on gasoline. She raises that point so that perhaps the minority would be willing to go up a penny and therefore bring this legislation to unanimous agreement. I would refer the gentlewoman to the Internal Revenue Code where she will find that gasoline taxes are a deductible item, so that all of this increase would not be applicable to increased costs of operation. It should be

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pointed out that a 1-cent increase in gasoline would amount to less than a tenth of a cent increase cost on a per-mile basis.

I would also like to call attention to several other statements that have been made. The Bureau of the Budget opposes any increase in the allowance, and states:

The present rates are adequate and we recommend no change in the statutory maximum mileage allowance.

Also the General Accounting Office stated:

We have no information as to the need for an increase in the mileage allowance for use of privately owned vehicles on Government business.

Mr. Speaker, this business of adequately ascertaining what an automobile costs per mile is not easy, but there are certain firms who make that their specialty, one of which is R. E. Runzheimer & Co. I have had submitted to me recently by the chairman of the Government Operations Committee some information which would purport to show that the average per-mile cost of a 1-year-old automobile would be slightly more than 12 cents. I have taken occasion to analyze these figures and I would like to acquaint you with just what goes into making the alleged cost figure to operate a 1958 Chevrolet automobile, based on 10,000 miles use per year. There are certain fixed costs, and I would invite you to think of those as one category, and then there are variable costs in another category. Let us examine the fixed costs first. For such an automobile it is estimated that \$647.74 goes for depreciation, for 10,000 miles in 1 year, and the rest of the fixed costs such as insurance and licenses are only \$153.24—making a total of \$800.98 or 8 cents per mile. So that of the total fixed costs approximately three-quarters of that cost is in depreciation.

But, now, what are the variable costs? The variable costs are estimated to be only \$399 or 4 cents a mile. So, here we have a situation where, of the total alleged cost of 12 and some odd cents a mile, over half of that or 6.47 cents is in depreciation.

Now, I say to you, first of all, does a person use his automobile every single day for Government business? What about holidays? What about Saturdays? The entire depreciation would be paid by the Government based on 10,000 miles a year of Government use. Is it right to charge Uncle Sam \$647 depreciation for a private individual to use his car 5 days a week and not charge the individual anything for depreciation for the use of his car on weekdays for personal use or on Saturdays, Sundays, and holidays for personal use.

I say it is unconscionable to allow 12 cents a mile when there is no industrial firm in this Nation that allows 12 cents a mile and when total depreciation can be chargeable to Uncle Sam even though the automobile may be used extensively for private use.

Now, there are many other spots in this bill that could be economized upon,

but the minority do not strenuously object to them.

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

Mr. BARRY. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. I think the gentleman has propounded his ideas very well. Here we are now at 3:15 on Labor Day; and if I could present a resolution, it would be that all Members were reported present to pay tribute to industry and labor in this great country of ours on this day.

Mr. BARRY. I thank the gentleman and join with him in such a tribute.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. BARRY. I yield to the gentleman from Kansas.

Mr. REES of Kansas. Approximately, what is the cost of this legislation, that is, additional cost to the Government, on mileage?

Mr. BARRY. The additional cost to the Government would only eventuate were the heads of departments to allow a greater allowance under a directive in the form of Government regulations. That does not mean to me that we should set sights that would tend to make the department head raise the allowance. This bill is not a directive; it only authorizes.

Mr. REES of Kansas. Assuming that the Government operated under these higher figures, does the gentleman have any idea how much it would cost?

Mr. BARRY. It would go into the millions; but in order actually to estimate the cost, one would have to know the number of miles traveled by privately owned automobiles and then compute it. I do not know, but it would be very large.

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

Mr. BARRY. I yield.

Mr. FASCELL. Is it not true that in response to the question of the gentleman from Kansas [Mr. REES] the gentleman from New York did not know the answer? And neither do I.

Mr. BARRY. I said I did not know the answer.

Mr. FASCELL. That is, we cannot estimate how much the increased mileage allowance is going to cost the Government, except from the testimony we have which is that it is insignificant and can be absorbed under present allocations and appropriations.

Mr. REES of Kansas. Nobody knows what it is going to cost.

Mr. FASCELL. Not on the mileage allowance.

Mr. BARRY. That is one of the reasons I am opposed to the bill. We do not know what it will cost.

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

Mr. BARRY. I yield.

Mr. HOSMER. What is the travel cost figure for a year for a Chevrolet?

Mr. BARRY. For depreciation \$647.74.

Mr. HOSMER. That would be 6.47 cents per mile on a 10,000-mile basis.

Mr. BARRY. That is correct.

Mr. HOSMER. And what is the figure for operation?

Mr. BARRY. \$399 or approximately 4 cents a mile.

Mr. HOSMER. That brings it to 10.47 cents a mile or almost 11 cents a mile actual cost.

Mr. BARRY. There are other fixed costs such as insurance and license, and so forth.

Mr. HOSMER. Then it would bring it to over 12 cents a mile according to the gentleman's own figures?

Mr. BARRY. That is true, but that assumes the use of an automobile for 10,000 miles on Government business 365 days a year.

Mr. HOSMER. Oh, no.

Mr. BARRY. Yes, it does.

Mr. HOSMER. That is a miscalculation, because no matter why it is used, the wheels turn around for 10,000 miles and we get our cost figure on that basis; that is, whether it is used on Government business or by the individual for himself. As a consequence, you come up with some 11.47 cents per mile cost plus some admitted extras which have not been included. So actually we are getting by at 12 cents a mile for less than it cost the man to take his car out and use it on Government business. I think that is a pretty good bargain.

Mr. BARRY. If the gentleman will permit me to correct his statement, the depreciation used in the calculation is based on the use of the car for the first 10,000 miles. But there are several factors to be considered. First, there is the assumption that the car is driven 10,000 miles a year on Government business. If the car is driven more than that there is no depreciation on the cost of this further use as all depreciation was charged to the first 10,000 miles of Government use.

Mr. HOSMER. I realize that, and I am delighted to have the gentleman correct me, but thus far he has not done so.

Mr. BARRY. The other factor involved is this. Basically a 1958 car is not the average car used by a Government employee. The figures given by Runzheimer show that there is even a lesser depreciation on cars 2, 3, and 4 years of age.

Mr. HOSMER. My car costs me \$85 a month on capital cost, and that is an old 1954 De Soto. Perhaps I am inefficient in the operation of the car—and I probably am—but I am probably in the same category with other individual drivers who drive their own car as distinguished from an organization which furnishes cars to its employees and has the facilities to keep them operating efficiently. As a matter of fact, I do not think the average individual can possibly drive his car for as low a cost as cars that are furnished by Avis or any other car renting firm which has the facilities to keep the cars in perfect operating conditions at all times.

Mr. BARRY. I think if the gentleman will refer to some of the Runzheimer figures he would be assured that the average costs for running a car in this country have been well substantiated not only by them but by the Automobile Association of America and on the basis of 10,000 miles use per year that, they are

in accordance with the figures that I have indicated.

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

Mr. BARRY. I yield.

Mr. COLLIER. During the course of the hearings on this proposed legislation did any Government employee testify to the effect that he was losing money?

Mr. BARRY. I am very glad the gentleman brought up that question. There is nothing in the record and there was nothing during the hearings to show that anyone submitted such information with respect to the insufficiency of automobile allowances, in the first place. There was no showing that anyone was injured. There were no letters submitted by any branch of Government or by any employee at the hearings or to the committee that there was a need for this increase in allowable mileage rate. So far as I am concerned this was dreamed up and I classify it in the spend-spend classification and I was therefore unwilling to agree that it go on the Consent Calendar.

Mr. Speaker, I would like to insert in the Record my statement to the Government Operations Committee as follows:

STATEMENT BY CONGRESSMAN ROBERT R. BARRY ON H.R. 5196, BEFORE THE HOUSE GOVERNMENT OPERATIONS COMMITTEE

Mr. Chairman, I am unable to concur in the recommendation of the Committee on Government Operations that the current maximum mileage allowance for civilian employees of the Government be increased from 10 to 12 cents per mile for the use of privately owned airplanes and automobiles while on official business. No evidence or testimony was presented to the committee which would demonstrate a need for the increase. In fact, the Bureau of the Budget recommended against an increase.

The report of the Bureau of the Budget, and the testimony of a representative of the Bureau of the Budget when the committee was considering the increase (H. Rept. No. 683, to accompany H.R. 5196) was to the effect that the current rate is adequate. This conclusion was supported by reference to various reports, as follows:

The American Automobile Association, in a recent report on driving costs, indicated that 10 cents per mile is generally sufficient to cover variable and fixed costs, including amortization.

Runzheimer & Co., a Chicago accounting firm specializing in automobile standard allowances, last year computed costs on a low-priced car 1 year old. Variable costs (gasoline and oil, maintenance, and tires) were estimated at 3.77 cents per mile. Fixed costs (insurance, license and registration fees, and depreciation) were estimated at 7.01 cents per mile, computed on the basis of annual mileage of 10,000 miles. The total cost thus was estimated as 10.78 cents per mile. It was recognized that this figure would vary depending upon annual mileage and age of the car. For example, the Red Book, published by the National Market Reports, Inc., giving official used-car valuations shows that depreciation on a low- and middle-priced car, 5 years old, driven 10,000 miles a year, would be 1.7 cents per mile lower than for a 1-year-old car having a total per mile cost of 10.78 cents.

The Dartnell Corp., a Chicago management consulting firm which makes annual surveys of mileage allowances paid by private business, reports that no mileage allowances in excess of 10 cents per mile was paid

by the companies surveyed which reimburse employees on a flat mileage basis. The survey for 1958 showed that 88 percent of these companies allowed 8 cents per mile or less and that only 5 percent allowed as much as 10 cents per mile.

The National Industrial Conference Board, Inc., in a 1959 report "Studies in Personnel Policy, No. 170", based on studies in 1958, reported that of 103 manufacturing firms surveyed, only 10 percent authorized a flat mileage allowance in excess of 8 cents per mile.

The report of the Bureau of the Budget also stated that a large majority of the Federal agencies from whom recommendations were obtained saw no need for increasing the present rate of 10 cents per mile.

Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. MEADER].

(By unanimous consent, Mr. MEADER asked and was given permission to proceed out of the regular order and to revise and extend his remarks and include extraneous matter and that his remarks appear following action on the pending bill.)

Mrs. GRANAHAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. The only point at issue on this legislation today seems to be the question of mileage allowances. The gentleman from California [Mr. HOSMER] who preceded me, put his finger exactly on the answer to the question.

The Budget Bureau in analyzing the question as to whether there should be an increase in the mileage allowance over what is presently allowed in the act, which is 10 cents per mile, recommended no change be made in the statutory maximum mileage allowance. This recommendation was—as stated by the Bureau—based upon the following collective data: Two major agencies reported that they did not need it. One agency recommended 12 cents a mile. Two agencies recommended 11 cents a mile. The Bureau of the Budget said this was not a sufficiently broad base to enable them to make a recommendation. Then they went on to say that a recent report of the American Automobile Association quoted that 10 cents a mile covered all costs of driving an automobile, including the amortization of the cost of the vehicle. At this point we arrive at some differences of opinion. First, the gentleman from New York [Mr. BARRY] takes issue with the fact that depreciation is considered part of the cost of the operation of an automobile. I am not an accountant. But I point out, Mr. Speaker, that the general standards used by most industrial concerns include depreciation as the major part of the cost in computing the cost of the operation of an automobile: I have here a brochure from the American Automobile Association which quotes Runzheimer & Runzheimer, the very agency used by the Bureau of the Budget and also the agency which establishes this national standard criteria used by over 200 industrial concerns. Here is what they say very simply about depreciation:

It is included as part of the fixed cost. For most motorists the largest single expense of owning a car is depreciation.

There seems to be no question about it despite the opinion of the gentleman from New York [Mr. BARRY], there is no way you can avoid depreciation in computing cost and be fair, adequate, and proper. Depreciation is a normal part of the cost of operating an automobile whether it be owned and operated by an employee of the Government or of private enterprise.

In this same report Runzheimer & Runzheimer goes on to compute, just as the gentleman from California [Mr. HOSMER] did in his head a moment ago, that the actual cost of operating a 1958 Chevrolet 8-cylinder, 4-door sedan at 10,000 miles is 11.998 cents per mile, or 12 cents a mile for all practical purposes. So we have two different figures on cost per mile of operation, both attributed to the same source. In order to reconcile the figure of 10 cents and 12 cents a mile we asked Runzheimer & Runzheimer about their figures. Their telegraphic reply to the committee was that the 10-cent figure, cited by the Bureau of the Budget, was dated December 1957; and the second group, or 12 cents per mile cost of operation cited by the American Automobile Association in this brochure is dated January 6, 1959. Furthermore, even the 1959 figures are now under further revision for publishing in the October issue of Sales Management magazine. I think it is a fair assumption that cost figures will be higher and not lower.

So 12 cents per mile seems to be a proper figure allowable as computed and compiled by Runzheimer & Runzheimer as of January 1959.

This is the latest cost figure available to us. The additional cost on this single item has not been estimated because it is practically impossible to do so. But the committee is of the opinion that the total cost to the Government of this single item would not be significant.

Mr. Speaker, since this issue is the only one which has been raised in objection to this bill, and since I respectfully submit the objection has been fully answered and eliminated, this bill should be passed and Government employees thus assured they will receive fair treatment.

[Mr. HOFFMAN of Michigan addressed the House. His remarks will appear hereafter in the Appendix.]

The SPEAKER pro tempore. All time has expired.

The question is, Will the House suspend the rules and pass the bill as amended?

The question was taken; and on a division (demanded by Mr. BARRY) there were—ayes 73, noes 17.

Mr. BARRY. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER pro tempore. Under the agreement entered into, further proceedings under the call will go over until tomorrow.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record just preceding the vote.

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CONGRESSIONAL RECORD — HOUSE

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The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

GENERAL LEAVE TO EXTEND

Mrs. GRANAHAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend or revise and extend their remarks at this point in the RECORD on the bill just under consideration.

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

There was no objection.

Mr. MEADER. Mr. Speaker, I desire to call the attention of the House to an article in the September 1, 1959, issue of the Bulletin of the American Society of Newspaper Editors. This article is written by Clark Mollenhoff, a reporter for the Des Moines Register, who has made a special study of a very important subject. I refer to the right and the power of the Congress to obtain information from the executive branch of Government.

Increasingly congressional committees have been confronted with a refusal on the part of agencies and departments of the Government to provide information necessary for the congressional committees to make intelligent judgments in their legislative jurisdiction and in their investigative work.

The article reviews briefly the history of the efforts on the part of Members and leaders in the House of Representatives, including the efforts of my colleague, the gentleman from Virginia, the Honorable PORTER HARDY, Jr., chairman of the Foreign Operations and Monetary Affairs Subcommittee of the House Committee on Government Operations. I commend this article to the attention of all Members of Congress because of its basic importance to the prerogatives and to the rights and powers of the Congress of the United States. I am not, in inserting this article, endorsing all of the statements made by Mr. Mollenhoff, particularly those which relate to legal problems.

There are two paragraphs particularly which I wish to call to the attention of the Members. One is this paragraph which I read as follows:

The Congress has made its intentions clear on this matter of executive privilege. Supporters of HARDY's position concede that the cutting off of funds for the ICA would still leave the Attorney General in a position in which he could thwart the will of Congress.

I do not concede that is an accurate statement of the law.

Another paragraph I will read is as follows:

Some consideration is being given to further legislation that would give the Comptroller General the right to go to court to force production of records without relying on the Attorney General, a member of the executive family.

If there is such a movement I know nothing whatever about it.

This matter is now of exceptional interest because the other body is considering the mutual security appropriation bill which contains language offered by the gentleman from Virginia [Mr.

HARDY] and unanimously adopted by the House of Representatives. When that bill becomes law we will test whether or not Congress may use its power of the purse to compel respect by Government agencies for the congressional power of investigation.

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

Mr. MEADER. I yield.

Mr. HARDY. First of all, let me commend the gentleman for calling the attention of the House to the article by Mollenhoff in the American Society of Newspaper Editors Bulletin and also for calling attention to these particular two paragraphs. It seems to me there is a fundamental error in that approach. In the first place it is inconceivable to me that anybody in the executive branch of the Government would need any prod- ing to enforce the law.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mrs. GRANAHAN. Mr. Speaker, I yield 2 additional minutes to the gentleman from Michigan.

Mr. MEADER. I yield further to the gentleman from Virginia.

Mr. HARDY. Let us raise no question about this. Personnel in the executive branch who are concerned with this matter are all sworn to uphold the Constitution and to carry out the law. Let there be no assumptions that there will be willful violations either of the provision of the Mutual Security Act which relates to furnishing information to Congress or to the companion provision which the House put in the appropriation bill.

Mr. MEADER. I thank the gentleman and agree with him that this provision should cause no difficulty whatever. It will however compel officials and agents in the executive branch of the Government to respect the right of the Congress to be more informed and accurately informed and completely informed about the public business.

Mr. HARDY. If the gentleman will yield further, I would just like to make this observation. The gentleman from Michigan has been most diligent in trying to preserve and protect the rights of the Congress and I commend him for bringing this matter to the attention of the Congress at this time.

Mr. MEADER. I thank the gentleman.

Mr. Speaker, I insert the text of the Mollenhoff article at this point in my remarks:

[From the Bulletin of American Society of Newspaper Editors, Sept. 1, 1959]

MOLLENHOFF REPORT—NEW PATTERN DEVELOPS IN FIGHT AGAINST THE BROAD CLAIM OF EXECUTIVE PRIVILEGE

The problem of secrecy in the executive branch of the Government received the attention of the Senate and House, and a pattern developed that could become a standard means of fighting the broad claim of executive privilege.

Irritated with the refusal of the International Cooperation Administration to make certain internal reports available to Congress and the General Accounting Office, Representative PORTER HARDY attached amendments to the bills for authorization and appropriation in the foreign-aid area.

The first Hardy amendment was attached to the foreign-aid authorization bill in the House, and was accepted by the Senate. It provided simply that all reports of the ICA and of an inspector general established for the ICA should be made available to the auditors of the General Accounting Office and the properly authorized committees and subcommittees of Congress.

THE PRESIDENTS PROTESTS

President Eisenhower signed the foreign-aid authorization bill with this provision in it, but commented at the time that the executive branch would continue to exert its executive privilege to refuse to make available inspector general reports, evaluation reports, and reports with recommendations in them. The President reasoned that there is a constitutional right for the executive branch to withhold any testimony on records involving advice or recommendations within the executive branch of Government.

Representative HARDY took sharp issue with this, and declared that President Eisenhower and the legal advisers in the White House were using an "item veto" to state what parts of the law would be obeyed and which would not.

At this point, HARDY was successful in attaching an amendment to the foreign aid appropriations bill. It provides that funds shall be cut off from any division of the ICA 20 days after a request for information is refused GAO or a proper committee of Congress.

Despite sharp criticism of this by President Eisenhower as an invasion of the power of the executive branch, HARDY gained support of Democrats as well as Republicans on the Senate side of the Capitol.

HARDY ACTION MAY BE IMITATED

HARDY pointed out that Comptroller General Joseph Campbell has informed the Congress that "executive privilege" claims are hampering his access to records in the auditing of the Navy, Air Force, and ICA. HARDY declared that he is only one of many congressional committee chairmen who are concerned about the refusal of the executive branch to make information available.

Others have indicated to HARDY and to Representative JOHN MOSS that they will seek to use the same type of amendments used by HARDY to force production of records by other departments.

HARDY declared that it is absurd for the executive branch to claim that it is unconstitutional for Congress to use its power over the purse strings to force executive agencies to account to Congress on the expenditure of public funds.

The Congress has made its intentions clear on this matter of executive privilege. Supporters of Hardy's position concede that the cutting off of funds for the ICA would still leave the Attorney General in a position in which he could thwart the will of Congress.

Some consideration is being given to further legislation that would give the Comptroller General the right to go to court to force production of records without relying on the Attorney General, a member of the executive family.

NATIONAL SECURITY NOT INVOLVED

There has been a tendency on the part of some in the executive department and some newspapers to treat the executive privilege problem as if national security was involved.

The ICA, Air Force, and Navy have admitted there is no problem of defense secrets or diplomatic secrets involved in the refusal to make reports available to the GAO and Congress. There are specific laws which allow secrecy where military security or diplomatic matters are involved.

What is at stake is the claim of the executive department that it can arbitrarily withhold any record from the GAO or Congress if that record contains any recom-

mendation or advice. Leonard J. Saccio, Deputy Director of the ICA, has admitted to Congress that under this definition almost any paper or document could be withheld from the GAO or Congress.

The SPEAKER. The time of the gentleman has expired.

OVERSEAS DIFFERENTIALS AND ALLOWANCES ACT

—Mr. MURRAY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7758) to improve the administration of overseas activities of the Government of the United States, and for other purposes, with amendments, which I send to the Clerk's desk.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Overseas Differentials and Allowances Act".

TITLE I—PURPOSE AND DEFINITIONS

Part A—Purpose

SEC. 101. The Congress hereby declares that it is the purpose of this Act to improve and strengthen the administration of overseas activities of the Government by—

(1) providing a means for more effectively compensating Government employees for the extra costs and hardships incident to their assignments overseas,

(2) providing for the uniform treatment of Government employees stationed overseas to the extent justified by relative conditions of employment,

(3) establishing the basis for the more efficient and equitable administration of the laws compensating Government employees for the extra costs and hardships incident to their assignments overseas, and

(4) facilitating for the Government the recruitment and retention of the best qualified personnel for civilian service overseas.

Part B—Definitions

SEC. 111. As used in this title, title II, and section 522 of title V, the term—

(1) "Government" means the Government of the United States of America;

(2) "Government agency" means (A) each executive department of the Government, (B) each independent establishment or agency in the executive branch of the Government, including each corporation wholly owned (either directly or through one or more corporations) by the Government, (C) the General Accounting Office, and (D) the Library of Congress;

(3) "Employee" means an individual employed in the civilian service of a Government agency and more specifically defined in regulations prescribed by the President, but including ambassadors, ministers, and officers of the Foreign Service of the United States under the Department of State;

(4) "United States", when used in a geographical sense, means the several States of the United States of America and the District of Columbia;

(5) "Continental United States" means the several States of the United States of America, excluding Alaska and Hawaii but including the District of Columbia; and

(6) "Foreign area" means any area (including the Trust Territory of the Pacific Islands) situated outside the United States, the Commonwealth of Puerto Rico, the Canal Zone, and the possessions of the United States.

TITLE II—ALLOWANCES AND DIFFERENTIALS IN FOREIGN AREAS

Part A—General provisions

SEC. 201. Notwithstanding section 1765 of the Revised Statutes (5 U.S.C. 70), the allowances and differentials provided by this

title are authorized for and may be granted only to an employee officially stationed in a foreign area unless otherwise provided in this title—

(1) who is a citizen of the United States, and

(2) whose rate of basic compensation is fixed by statute or, without taking into consideration the allowances and differentials provided by this title, is fixed by administrative action pursuant to law or is fixed administratively in conformity with rates paid by the Government for work of a comparable level of difficulty and responsibility in the continental United States,

except that such allowances and differentials may be paid to an employee officially stationed in a foreign area who is not a citizen of the United States to the extent that the payment of such allowances and differentials to such non-citizen employee is authorized by any provision of law other than this title.

SEC. 202. Allowances granted under this title may be paid in advance, or advance of funds may be made therefor, through the proper disbursing officer in such sums as may be deemed advisable in consideration of the need and the period of time during which expenditures must be made in advance by the employee or employees. Any advance of funds not subsequently covered by allowances accrued to the employee or employees under this title shall be recoverable by the Government by setoff against accrued salary, pay, compensation, amount of retirement credit, or other amount due from the Government to such employee or employees and by such other method as may be provided by law for the recovery of amounts owing to the Government.

SEC. 203. The allowances and differentials authorized by this title shall be paid in accordance with regulations prescribed by the President establishing rules governing payments thereof and the respective rates at which such payments shall be made, the foreign areas, the groups of positions, and the categories of employees to which such rates shall apply, and other related matters.

Part B—Quarters allowances

SEC. 211. Whenever Government-owned or Government-rented quarters are not provided without charge for an employee in a foreign area, one or more of the following quarters allowances may be granted to such employee where applicable:

(1) A temporary lodging allowance for the reasonable cost of temporary quarters incurred by the employee and his family (A) for a period not in excess of three months after first arrival at a new post of assignment in a foreign area or a period ending with the occupation of residence quarters, whichever shall be shorter, and (B) for a period of not more than one month immediately preceding final departure from the post subsequent to the necessary evacuation of residence quarters;

(2) A living quarters allowance for rent, heat, light, fuel, gas, electricity, and water, without regard to the limitations of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529); and

(3) Under unusual circumstances payment or reimbursement for extraordinary, necessary, and reasonable expenses, not otherwise compensated for, incurred in initial repairs, alterations, and improvements to an employee's privately leased residence at a post of assignment in a foreign area, if such expenses are administratively approved in advance and if the duration and terms of the lease justify payment of such expenses by the Government.

Part C—Cost-of-living allowances

SEC. 221. The following cost-of-living allowances may be granted, where applicable, to an employee in a foreign area:

(1) A post allowance to offset the difference between the cost of living at the post

of assignment of the employee in a foreign area and the cost of living in Washington, District of Columbia;

(2) A transfer allowance for extraordinary, necessary, and reasonable expenses, not otherwise compensated for, incurred by an employee incident to establishing himself at any post of assignment in a foreign area or at a post of assignment in the United States between assignments to posts in foreign areas;

(3) A separate maintenance allowance to assist an employee who is compelled, by reason of dangerous, notably unhealthful, or excessively adverse living conditions at his post of assignment in a foreign area or for the convenience of the Government, to meet the additional expense of maintaining, elsewhere than at such post, his wife, or his dependents, or both;

(4) An education allowance or payment of transportation costs to assist an employee with the extraordinary and necessary expenses, not otherwise compensated for, incurred by reason of his service in any foreign area or foreign areas in providing adequate education for his dependents, as follows:

(A) An allowance not to exceed the cost of obtaining such elementary and secondary educational services as are ordinarily provided without charge by the public schools in the United States, plus, in those cases where adequate schools are not available at the employee's post, board and room, and periodic transportation between such post and the nearest locality, where adequate schools are available, without regard to the limitations of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529); but the amount of the allowance granted shall be determined on the basis of the educational facility used;

(B) The cost of transporting dependents of an employee to and from a school in the United States to obtain an American secondary or undergraduate college education, not to exceed one trip each way for each dependent for the purpose of obtaining each type of education; but no allowance payments under subparagraph (A) of this paragraph (4) shall be made for any dependent during the twelve months following his arrival in the United States for secondary education pursuant to authority contained in this subparagraph (B). Notwithstanding section 111(6) of this Act, transportation, for the purpose of obtaining undergraduate college education, may be authorized under this subparagraph (B), under such regulations as the President may prescribe, for dependents of employees who are citizens of the United States stationed in the Canal Zone.

Part D—Post differential

SEC. 231. A post differential may be granted on the basis of conditions of environment which differ substantially from conditions of environment in the continental United States and warrant additional compensation as a recruitment and retention incentive. Such differential also may be granted to any employee who is officially stationed in the United States and who is on extended detail in a foreign area. Additional compensation paid as a post differential shall not in any instance exceed 25 per centum of the rate of basic compensation.

TITLE III—MISCELLANEOUS EXPENSES

Part A—Storage

SEC. 301. (a) Paragraphs (4) and (5) of section 911 of the Foreign Service Act of 1946 (22 U.S.C. 1136 (4) and (5)) are amended to read as follows:

"(4) the cost of packing and unpacking, transporting to and from a place of storage, and storing the furniture and household and personal effects of an officer or employee of the Service, when he is absent from his post of assignment under orders, or when he is assigned to a post to which he cannot take or at which he is unable to use such