

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

There was no objection.

Mr. **BYRNES** of Wisconsin. Mr. Speaker, present law imposes a tax of 8 cents a pound in the case of tires for highway vehicles and a tax of 5 cents a pound in the case of other tires. The tax is imposed on the rubber content of the tire. It was demonstrated that existing law imposes a particular hardship on a relatively recent development in a tire product known as laminated tires. Therefore, last year the House approved a bill to correct this hardship by providing a tax of 1 cent a pound in the case of the sale of laminated tires not of the type used on highway vehicles where the tire consisted wholly of scrap rubber. The Senate has amended this bill so as to correct a typographical error, and it is appropriate of course that the House should concur in this clerical amendment.

TREATMENT OF COPYRIGHT ROYALTIES FOR PURPOSES OF PERSONAL HOLDING COMPANY TAX.

Mr. **MILLS**. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7588) to amend the Internal Revenue Code of 1954 with respect to the treatment of copyright royalties for purposes of the personal holding company tax, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, line 14, after "544." insert: "This paragraph shall not apply to compensation which is rent within the meaning of paragraph (7), determined without regard to the requirement that rents constitute 50 percent or more of the gross income."

Page 5, line 17, strike out "1958" and insert "1959".

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. **MILLS**. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the **RECORD**.

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

There was no objection.

Mr. **MILLS**. Mr. Speaker, this bill, as passed by the House, was designed to prevent the application of the personal holding company tax to income from copyright royalties to certain companies. The problem arose on the fact that music publishing companies presently get most of their income from royalties on record sales where previously the principal income came from sheet music sales. Despite the fact that the income is technically in the form of royalties, the bill prevents it from being personal holding company income where the in-

come arises in substance from the active conduct of a business. The Senate made two amendments. One was to change the effective date from 1959 to 1960. The other amendment was designed to prevent a possible unintended effect of the House bill as treating certain motion picture and TV film and tape rentals as personal holding company income.

Mr. **BYRNES** of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the **RECORD**.

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

There was no objection.

Mr. **BYRNES** of Wisconsin. Mr. Speaker, H.R. 7588 as passed by the House was designed to prevent the personal holding company tax from applying to operating income in the music publishing industry. This is accomplished in the bill by excluding copyright royalties from the definition of personal holding company income under certain prescribed circumstances.

The Senate amended the House-passed bill to make it clear that copyright royalties do not include income from the leasing of motion picture films which have been held under existing law to be rents and not royalties. The Senate also amended the legislation so as to make the change applicable to taxable years beginning after December 31, 1959.

Mr. Speaker, it is appropriate that the House should concur in the Senate amendments.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 376)

The **SPEAKER** laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Public Works and ordered to be printed with illustrations:

To the Congress of the United States:

Pursuant to the provisions of section 10 of Public Law 358, 83d Congress, I transmit herewith for the information of the Congress the report of the St. Lawrence Seaway Development Corporation, covering its activities for the year ended December 31, 1959.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, April 11, 1960.

OFFICE OF THE MAJORITY LEADER

Mr. **MCCORMACK**. Mr. Speaker, I offer a resolution, House Resolution 500, and ask unanimous consent for its present consideration.

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

There was no objection.

The Clerk read the resolution, as follows:

Resolved, That, effective April 1, 1960, there shall be allocated from the contingent fund of the House, until otherwise provided by law, for personal services in the office of the ma-

jority floor leader of the House, an additional basic sum of \$1,500 per annum.

The resolution was agreed to.

A motion to reconsider was laid on the table.

WILLIAM J. KAISER—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 374)

The **SPEAKER** laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H.R. 6023, a bill for the relief of William J. Kaiser.

The bill would relieve Mr. Kaiser of all liability to refund to the United States amounts improperly paid to him as sickness and unemployment benefits under the Railroad Unemployment Insurance Act while he was also receiving a pension as a retired member of the New York City Fire Department. The bill would further direct the Railroad Retirement Board to repay to Mr. Kaiser from the railroad unemployment insurance account of the unemployment trust fund the amounts already recovered from him.

The Railroad Unemployment Insurance Act itself provides that the Railroad Retirement Board may extend equitable or compassionate relief in appropriate cases of overpayment when the Board finds recovery would be against equity or good conscience. This the Board did not do and there is no evidence available to me that indicates the Board's decision to have been erroneous.

The payments which the bill would require are not authorized by general law. More importantly, the money for the payments would have to come from a trust fund. The beneficiary has no valid claim to this money and its payment would constitute a discriminatory gift from funds which the Government holds in trust for railroad employees.

For these reasons, and because the bill would create an undesirable precedent, I am constrained to withhold my approval.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, April 11, 1960.

The **SPEAKER**. The objections of the President will be spread at large upon the Journal.

Without objection, the bill and message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

MRS. VIRGINIA BOND—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 375)

The **SPEAKER** laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith, without my approval, H.R. 7933, "For the relief of Mrs. Virginia Bond."

The \$1,582.89 of death pension benefits authorized by this bill are for the period between Mrs. Bond's husband's death on June 29, 1957, and May 13, 1959, the effective date of the pension Mrs. Bond currently receives. The benefits provided by H.R. 7933 are retroactive and may not be paid under existing legislation. Such an exception to general law should be made only to correct a serious inequity or in other unusually meritorious circumstances. I find no such basis for approving this bill.

Mrs. Bond on July 11, 1957, filed a claim for death pension benefits with the Veterans' Administration. Had this claim been allowed Mrs. Bond's pension, because applied for within a year of her husband's death, would have been retroactive to the date of her husband's death. Her claim was denied, however, because it was determined that her husband's death was not due to his service—nor was the evidence in support of the claim sufficient to entitle Mrs. Bond to a non-service-connected death pension. This denial was affirmed on appeal.

On May 13, 1959, Mrs. Bond filed a second claim with new evidence and on the basis thereof she was awarded the death pension she is now receiving. The law, however, specifically requires that such a second claim be treated as a new claim. The effective date of the award, therefore, was the date of the second claim because it had been filed more than 1 year after the death of Mr. Bond.

This history affords no valid justification for the special relief the bill would accord. The language of the law requiring that second claims be treated as new claims is clear and unmistakable. Furthermore, the insufficiency of the evidence in support of the first claim is attributable to Mrs. Bond, not to the Government.

Because the bill would discriminate against others similarly situated and would create an undesirable precedent, I am constrained to withhold my approval.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, April 11, 1960.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Without objection, the bill and message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

THE CHERRY BLOSSOM FESTIVAL

Mr. WHITENER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. WHITENER. Mr. Speaker, the Cherry Blossom Festival held each year here in Washington is an outstanding event which brings to the Nation's Capital, people from every section of our country. I have always looked forward

to the festivals for they give me an opportunity to greet many of my constituents who are making their first visit to Washington.

This year I had more than a usual interest in the Cherry Blossom Festival. Several weeks ago I was pleased to receive the news from festival officials that the 87-member Cherryville, N.C., High School Band had been selected to attend the festival and take part in the band concert and march in the parade. I was delighted to receive the news in that I had called to the attention of the Washington Board of Trade this outstanding band.

The band is considered one of the superior high school bands in the United States and is under the able direction of Mr. C. Ravon Smith, of Cherryville, N.C. I was not surprised when I learned last week that the band on its way to Washington had won a superior rating at Greensboro, N.C., in the North Carolina high school band contest.

Last Thursday the band took part in the Cherry Blossom Festival concert contest. The members of the band performed in their usual magnificent manner, and, as a result, won first place in the contest. A beautiful 20-inch gold trophy was awarded to the band by festival officials in recognition of its splendid performance.

Mr. Speaker, I am very proud of the wonderful record that has been made in the Nation's Capital by the Cherryville High School Band. The boys and girls in the band have brought honor and recognition to their home community. I know that their parents and the many people and business firms who made their trip to Washington possible share my pride in their achievement.

I congratulate the band for a superior performance, and commend the people who gave my young constituents the opportunity to come to Washington.

ADEQUATE HEALTH INSURANCE FOR PEOPLE OVER 65

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. DINGELL. Mr. Speaker, I notice that this morning the President of the United States left for a golfing vacation. I am also happy to note that he has been given a special putter, guaranteed to cut two strokes off his score, by one of our distinguished colleagues in the House. It is my hope that this putter will enable the President of the United States to complete his golf game a little earlier and finish his vacation a little sooner and come back to Washington and devote himself to just one of the many pressing issues facing the United States. I refer to the problem of providing hospitalization insurance to the people of the 65 and over age group. I would urge that he listen to some of the remarks that his Secretary of Health,

Education, and Welfare made on the inadequacy of existing private prepaid medical insurance plans to meet the needs of the aged for some kind of adequate medical care. I would commend to his sincere attention the provisions of the Forand bill, which will meet this need.

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

HON. JOHN E. FOGARTY

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. BOLAND. Mr. Speaker, this Chamber can rejoice in the decision of our beloved colleague, Congressman JOHN E. FOGARTY, of Rhode Island, that he will seek reelection to the House of Representatives.

The opportunity to move to the Senate came with the announcement many weeks ago that the distinguished senior Senator from Rhode Island, THEODORE FRANCIS GREEN, would not be a candidate to succeed himself. Anyone familiar with politics knows that this kind of a statement usually stirs a State with a rash of candidacies for the senatorial vacancy. But, Mr. Speaker, this was not the case within the Democratic Party in Rhode Island. There were no announcements. It was generally assumed that Congressman FOGARTY would declare for the Senate. The field was clear and open to him alone. This, in and of itself, was a magnificent tribute by the Democratic Party to JOHN FOGARTY. The nomination was his for the asking and it was generally conceded that he would be overwhelmingly elected.

Mr. Speaker, last Saturday afternoon, Congressman FOGARTY took himself out of the Senate race. Knowing him as well as we do, we know that he reached this decision after a long, thorough, painstaking review. It was not an easy thing to do. For, how often, Mr. Speaker, does one reach this kind of an impasse in life? The opportunity to serve in the Senate of the United States comes to few men and few men would pass it by. What motivated his conclusion?

It could not be better stated than in his own words:

In considering whether or not to become a candidate for the U.S. Senate, I am not insensitive to the honor that position would confer upon me. I believe, however, that in making a decision such as this, personal considerations must be put to one side. I must consider first how I can best serve all of the people of the State and Nation.

So, Mr. Speaker, it was these impersonal considerations that prompted his declaration. And this is typical of him.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and announce that I will seek further time to expand on Congressman FOGARTY's record and his welcome intention to come back to this great body.