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and inserting in lieu thereof:

"Sec. 39. Expenses of education and training programs.

"Sec. 40. Overpayments of tax."

(c) Section 381(c) of such Code (relating to items taken into account in certain corporate acquisitions) is amended by adding at the end thereof the following new paragraph:

"(24) CREDIT UNDER SECTION 39 FOR EMPLOYEE TRAINING EXPENSES.—The acquiring corporation shall take into account (to the extent proper to carry out the purposes of this section and section 39 and under such regulations as may be prescribed by the Secretary or his delegate) the items required to be taken into account for purposes of section 39 in respect of the distributor or transferor corporation."

Sec. 4. The amendments made by this Act shall apply with respect to taxable years beginning after December 31, 1966.

INCREASED APPROPRIATIONS FOR CONTINUANCE OF WORK IN MISSOURI RIVER BASIN

Mr. METCALF. Mr. President, I am today introducing, by request, the administration's bill to increase by \$60 million the appropriation authorization for continuing work in the Missouri River Basin by the Secretary of the Interior.

The authorization proposed would be subject to two limitations. First, it would be confined to appropriations for fiscal 1967 and fiscal 1968. Secondly, funds could not be spent to initiate construction of units that were not authorized since August 14, 1964.

Mr. President, I ask unanimous consent to insert at this point in the RECORD the March 30, 1966, letter pertaining to this bill from the Assistant Secretary of the Interior to the President of the Senate.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3186) to increase the authorization for appropriation for continuing work in the Missouri River Basin by the Secretary of the Interior, introduced by Mr. METCALF, by request, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The letter presented by Mr. METCALF is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C.

HON. HUBERT H. HUMPHREY,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed for your consideration is a draft of bill "To increase the authorization for appropriation for continuing work in the Missouri River Basin by the Secretary of the Interior."

We recommend that this draft bill be referred to the appropriate committee for consideration and we recommend that it be enacted.

The bill would increase by \$60 million the appropriation authorization for the portion of the Missouri River Basin project for which the Secretary of the Interior is responsible. The authorization of \$60 million is confined to appropriations for fiscal years 1967 and 1968 and is further qualified by a proscription against appropriation of any of the funds authorized by the bill to initiate

construction of units of the Missouri River Basin project not authorized since August 14, 1964, or hereafter authorized by an act of Congress.

Section 9(e) of the Flood Control Act of 1944 (58 Stat. 887) authorized the appropriation of \$200 million for partial accomplishment of the works to be undertaken by the Secretary of the Interior in connection with the initial stages of the Missouri River Basin project. Subsequent acts, the most recent of which was Public Law 88-442 of August 14, 1964, have increased the funds authorized to be appropriated to the Department of the Interior for carrying out the comprehensive plan of development of the Missouri River Basin project to a total of \$946 million. The proposed legislation will raise this total to \$1,006 million.

Since the current appropriation authorization provided by Public Law 88-442 will expire June 30, 1966, the additional authorization will be required early in this session of Congress to support the administration's request for appropriations for fiscal year 1967.

The bill provides that "No part of the funds hereby authorized to be appropriated shall be available to initiate construction of any unit of the Missouri River Basin project whether included in said comprehensive plan or not, which has not been authorized since August 14, 1964, or is not hereafter authorized by act of Congress." This limitation affects approximately 100 units of the Missouri River Basin project the authorization for which stems from the 1944 and 1946 Flood Control Acts. A careful and continuing review of the units, the construction of which has yet commenced, indicates that the purposes to be served by the units, arrangement of engineering features, lands to be irrigated, costs, benefits, repayment ability, water supply and other related factors may differ substantially from the conditions in being in 1944, when the project was originally authorized. In the exercise of sound administration, we feel that a careful reexamination of each of these units must and will be made before any request is submitted for funds to start construction on these units.

The act of August 14, 1964, provided an authorization to appropriate \$120 million for work in the Missouri River Basin. This bill, when enacted, will provide funds for work to be performed on any of the authorized projects in that basin.

Enclosed is a table showing the history of appropriation authorizations for the Missouri River Basin project and the estimated requirements for fiscal years 1967 and 1968.

The Bureau of the Budget has advised that there is no objection to the presentation of this proposed legislation to the program of the President.

Sincerely yours,
KENNETH HOLM,
Assistant Secretary of the Interior.

Bureau of Reclamation, Missouri River Basin project status of appropriations and allotments^{1,2}

Amount authorized to be appropriated:	
Flood Control Act Dec. 22, 1944 (58 Stat. 887)-----	\$200,000,000
Flood Control Act, July 24, 1946 (60 Stat. 641)-----	150,000,000
Flood Control Act, May 17, 1950 (64 Stat. 170)-----	200,000,000
Flood Control Act, July 3, 1958 (72 Stat. 297)-----	200,000,000
Flood Control Act, July 14, 1960 (58 Stat. 891)-----	60,000,000
Act of Dec. 30, 1963 (77 Stat. 842)-----	16,000,000

Total authorized to be appropriated to June 30, 1964^{1,2,3}----- 826,000,000

Bureau of Reclamation, Missouri River Basin project status of appropriations and allotments^{1,4}—Continued

Less net allotments to projects as of June 30, 1964-----	—805,659,709
Balance available as of June 30, 1964-----	20,340,291
Act of Aug. 14, 1964 (78 Stat. 446), for fiscal years 1965 and 1966-----	120,000,000
Authorization available for fiscal years 1965 and 1966—	140,340,291
Amount allotted to projects in fiscal year 1965-----	64,453,289
Amount allotted to projects in fiscal year 1966-----	40,545,619
Authorization used in fiscal years 1965 and 1966-----	104,998,908
Expired authorization, June 30, 1966-----	35,341,383
Estimated fiscal year 1967 requirement-----	33,658,000
Estimated fiscal year 1968 requirement-----	24,137,362

Additional authorization required for fiscal years 1967 and 1968 rounded to \$60,000,000----- 57,795,362

¹ Total, Missouri River Basin project, regions 6 and 7 and technical records.

² Excludes other agencies and Gray Reef Dam (\$974,740) covered by special legislation.

³ Includes \$528,920 for Fort Peck project for fiscal years 1961, 1962, 1963, and 1964 as this is the period that this project was integrated with the Missouri River Basin project.

⁴ Excludes Garrison diversion unit authorized by separate legislation with a ceiling of \$207,000,000 which is adjustable by cost index.

FAIR WARNING ACT OF 1966

Mr. MONDALE. Mr. President, this morning's papers carried the news that General Motors Corp. had recalled certain Chevrolet model automobiles for repair of dangerous defects. Notification of the defects in certain of these models reportedly was made several months ago to 6,500 General Motors dealers, but not to members of the public at large who might own or operate such autos. I believe that such notification should have been made at that time as well to those who drive these automobiles every day—and in particular, this was necessary in my State of Minnesota. We were told in the papers that under conditions of wet, heavy snow or slush, the throttles on certain models of Chevrolet cars could stick, and the cars would continue forward even though the driver took his foot off the accelerator. These are common conditions in Minnesota, Wisconsin, North Dakota, South Dakota, and indeed throughout much of the Nation.

Since I believe that the consumer has the right to know when the automobile he drives has dangerous defects, I am introducing today the Fair Warning Act of 1966, which will provide that automobile manufacturers must notify owners, dealers, and the public of dangerous defects in the cars in which they are driving and riding.

The President's bill on traffic safety requires the promulgation of auto safety

standards, but it is reasonable to assume that such standards will not become effective for at least 3 or 4 years after the bill passes. My bill would provide immediate protection to the consumer and purchaser of automobiles. And indeed, even if auto standards are adopted, it will be possible to revise them for use in the production only of new models. But the consumer has a right to know immediately, not after a year or more has elapsed. And he would be protected only if he could afford the costly venture of buying a new car.

In summary, my bill would require the manufacturer of automobiles to notify people who have cars which are defective. It places the burden of discovering the defect on the manufacturer because he has designed, produced, and inspected the automobile, and is in the best possible position to know of the defects in the automobile, and the remedies for correcting the defect.

The proposed legislation provides for criminal penalties and a presumption of negligence to aid the civil litigant. In addition, the Attorney General is authorized to receive complaints on auto defects and notify the manufacturer of such complaints. The information received by the Attorney General will be public information and available to litigants.

The bill requires the manufacturer to notify all owners of defective automobiles by registered mail, to notify its own dealers, and to make public notice in newspapers circulating in all areas in which the defective automobiles have been sold. The obligation of notification falls on the manufacturer whenever he knows or should know of the defect. Notification must be made immediately to the owners of such cars, not exceeding 30 days after the defect becomes known.

Two methods of enforcement are provided. First, the manufacturer is liable to a fine of \$1,000 for each such defective automobile, or imprisonment, or both. Second, failure to comply shall constitute negligence on the part of the manufacturer in any lawsuit brought against the manufacturer for loss of life, injuries or property damage arising out of the defect.

In the past, manufacturers have asked their dealers to recall certain types of automobiles to repair dangerous defects. Recently some adjustment had to be made in the braking system of some 500 of the Buick Le Sabres built during 1965. Dealers were told to call these models in for repair. The Ford Motor Co. is reportedly completing its program of calling in some 40,000 Lincoln Continentals for repair of a dangerous defect in their braking system. Notice was not sent to each owner.

We are all familiar with the well-publicized case of the Chevrolet Corvair, which for several years had a rear end suspension system which tended to buckle under and cause the auto to roll over in turning. Dealers were offered kits to improve this defect, but no general notification was made to those who owned these models.

In 1959, the Supreme Court of Michigan considered a case in which the brake fluid of the Buick Roadmaster could be sucked into the engine, robbing the driver of any braking power. The dealers were notified of this defect, but the consumers and purchasers were not unless they happened to bring their cars in for servicing. The Michigan Supreme Court said that in their view the facts in the case imposed a duty on General Motors to take all reasonable means to convey effective warning to those who had purchased these Buicks of the very real danger which could confront them when driving the car.

In November of 1964 Chrysler Corp. sent a bulletin to dealers urging them to recall for inspection certain models of the 1965 Plymouths, Chryslers, and Dodges to determine whether a steering bracket needed welding. But no attempt was made to get in touch directly with the owners of the cars and warn them of the possibility of danger.

In 1965, Ford Motor Co. notified some 30,000 owners that a change in the rear suspension of the 1965 Ford could improve the ride, and urged them to bring these cars in to the dealers. But no mention was made of the fact that, in addition to improving the ride, the vehicle was subject to complete loss of control if the suspension arm were to break loose from the chassis.

We cannot continue to permit people to drive "time bombs" which can cause fatal or crippling accidents without warning. The owner of a car, which often carries his family and loved ones, must be able to drive knowing that he can do so with safety. Senator RUBINOFF has said that more than 500,000 Americans have been killed in motor vehicle accidents since the end of World War II—125,000 more than the Nation lost in battle in all of that war and the Korean war. In that period more than 10 million Americans were injured, compared with the 774,000 wounded in those wars. We must act now to meet this problem, and full information to the consumer is essential if the war against traffic fatalities is to be won.

The fact that most of the automobiles we drive do not have defects which can cause injury to life and limb, while a tribute to the auto industry, is perhaps the most effective argument for this legislation. The American public rightly expects that the cars they drive are safe, and must be told when they are not. If they are not, the tragic traffic accident death and injury toll will continue to mount regardless of how safely we drive. Cars are far too complicated today for the consumer to be able to determine a defect until it is too late. Fair warning immediately upon discovery is the public responsibility of the producer.

This legislation will give the consumer that fair warning. I ask that it be received and appropriately referred.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3187) to provide for notification of buyers and owners of automobiles having defects which render the operation of such automobiles inherently

dangerous to life and limb, introduced by Mr. MONDALE, was received, read twice by its title, and referred to the Committee on Commerce.

IMPROVED EMPLOYEE-MANAGEMENT RELATIONS IN THE FEDERAL SERVICE

Mr. BREWSTER. Mr. President, for almost a full generation of legislative deliberation, the Congress of the United States has considered various means of combating the abuses of management against labor within the employment structure of the Federal establishment.

As long as 15 years ago, bills were introduced in the Congress which would make management in the Federal Government legally responsible in its relationship with Federal employees who could not strike, or bargain collectively, or use any of the conventional weaponry which is available to organized labor in private industry.

For years the executive branch of the Government resisted such legislative incursions into what it considered its own private preserve of privilege. The managers of the various departments of the Government felt they had—by some divine right, no doubt—the Federal employees exactly where they wanted them, and they saw no reason to relinquish any part of the unfair hold they held upon those who depended upon them for their livelihood, their welfare, their security.

The cry from the executive branch always was: "We are all—all honorable men"—and therefore we can be trusted to treat our employees in an honorable fashion.

This turned out to be a fantasy.

The managers took advantage of every legal loophole they could with which to suppress their employees. Working conditions in the Federal Establishment fell well behind the accepted norm in even the most backward sectors of private industry. The Federal Government—instead of being a leader in the field of management-labor relations—became a disgraceful follower, sluggishly and reluctantly shadowing the efforts of private industry in every area of human engineering.

I do not want to belabor a point as obvious as this. Suffice it to say that all our beneficent Federal programs, such as workmen's compensation, retirement, sick leave—even paid holidays and vacations—came into being years after they were standard operating procedure in private industry.

I know that every Member of the Senate receives in his mail the monthly publication of the National Association of Letter Carriers, the Postal Record. Too few of us read it. I strongly suggest that you do glance regularly at a monthly column in that magazine entitled "Prologue"—a month-by-month account of labor-management relations in the postal service, dating back 75 years. This will give you some rare insights into the way in which our postal—and other Federal employees—have been treated by their managers over the years. You will be horrified and appalled by the backwardness that has taken place