



# FEDERAL ACTIONS



## Federal Trade Commission

### CALIFORNIA CANNER OF FISHERY PRODUCTS DENIES CHARGES OF ILLEGAL BROKERAGE PAYMENTS:

A San Francisco, Calif., canner of fish and fish products on April 23, 1959, denied (Answer 7438 Food Products) Federal Trade Commission charges of illegal brokerage payments to food chain customers and asked that the complaint be dismissed.

The San Francisco firm is a buyer, processor, and canner of fish and fish products, plus other food products. The firm sells its products nationally, both through brokers who are paid a 2½ per cent commission and directly to large food chain retailers.

The Commission's complaint of May 18, 1958, alleged that the firm violated Sec. 2(c) of the Robinson-Patman Amendment to the Clayton Act by granting various chains allowances in lieu of brokerage on direct purchases in their own names or for their own accounts for resale.

The company asks that the complaint be dismissed.

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### SALMON CANNER ORDERED TO STOP PAYMENT OF ILLEGAL BROKERAGE:

The Federal Trade Commission on April 9, 1959, ordered (Order 7201 Canned Seafood) a Seattle, Wash., salmon canner and its vice-president to stop making unlawful brokerage payments to customers.

The Commission adopted Hearing Examiner Loren H. Laughlin's initial decision based on the evidence presented by its counsel. The respondents

neither answered the complaint of July 22, 1958, nor appeared at the hearing.

The examiner had found that the company granted discounts or allowance in lieu of brokerage or price concessions reflecting brokerage in selling both its own seafood pack and that of other packers for which it acted as primary broker.

Agreeing that these payments are forbidden by Sec. 2(c) of the Robinson-Patman Amendment to the Clayton Act, the Commission ordered them stopped.



## Department of Health, Education, and Welfare

### FOOD AND DRUG ADMINISTRATION

#### ANTIBIOTIC USE APPROVED TO AID IN MAINTAINING QUALITY OF FRESH FISHERY PRODUCTS:

The use of an antibiotic to aid in keeping certain fresh-caught fish and shellfish in sound condition was authorized on April 21, 1959, for the first time by the Food and Drug Administration in an order setting a safe limit on the amount that may remain in these foods without harm to the consumer.

The order allows commercial fishermen to use an antibiotic known as chlorotetracycline on fresh-caught whole, headed, and gutted fish, shucked scallops, and unpeeled shrimp. It does not allow use of the antibiotic on processed seafood products, including fish cuts, steaks, and fillets, peeled shrimp, and shucked oysters. The Agency pointed out that chlorotetracycline has been used on uncooked poultry since 1955

and extensive data on its safety are available.

A minute amount will remain in fresh fishery products treated with the antibiotic and will not always be removed in cooking, the Agency said. The Agency's scientists and physicians have determined from all available data and feeding tests that this amount of chlorotetracycline can be consumed without harm, even by the very few exceptional persons who may have developed a sensitivity to antibiotics.

The law requires the label of treated fishery products to show the fish contains chlorotetracycline and that it has a preservative effect.

Commercial fishermen may use the antibiotic as a dip or in the ice as an aid to keep their catch in sound condition. They may not use the antibiotic in place

of adequate refrigeration, nor, because of its use, neglect to maintain thoroughly clean conditions aboard their boats for assurance of clean, wholesome fishery products.

The order sets 5 parts per million as the maximum amount of chlorotetracycline that may legally remain on fresh-caught unprocessed fishery products. The order became effective on publication in the Federal Register of April 21.

The action was taken in response to a petition by American Cyanamid Company, New York City, for establishment of a tolerance of 5 parts per million for use of chlorotetracycline on fresh fish and any cuts from it, shucked oysters, shucked scallops, and shrimp, both peeled and unpeeled. The regulations as printed in the Federal Register of April 21, 1959 follow:

## Title 21—FOOD AND DRUGS

### Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

#### SUBCHAPTER B—FOOD AND FOOD PRODUCTS

#### PART 120—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

##### Tolerances for Residues of Chlorotetracycline

A petition was filed with the Food and Drug Administration by the American Cyanamid Company, 30 Rockefeller Plaza, New York 20, New York, requesting the establishment of tolerances for residues of chlorotetracycline in or on fish (vertebrate) and any cuts therefrom, oysters (shucked), scallops (shucked), shrimp (peeled), shrimp (unpeeled), each in uncooked form. Tolerances to permit application of chlorotetracycline to certain of these seafood products are not being established in this order because they are products of plant processing rather than raw agricultural commodities.

The Secretary of Agriculture has certified that this pesticide chemical is useful for the purposes for which tolerances are being established.

After consideration of the data submitted in the petition and other relevant material which show that the tolerance established in this order will protect the public health, and by virtue of the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 408(d)(2), 68 Stat. 512; 21 U.S.C. 346a(d)(2)) and delegated to the Commissioner of Food and Drugs by the

Secretary (21 CFR 120.7(g)), the regulations for tolerances for pesticide chemicals in or on raw agricultural commodities (23 F.R. 6403) are amended by changing § 120.117 to read as follows:

##### § 120.117 Tolerances for residues of chlorotetracycline.

Tolerances are established for residues of chlorotetracycline as follows:

(a) 7 parts per million in or on uncooked poultry. This tolerance level shall not be exceeded in any part of the poultry.

(b) 5 parts per million in or on fish (vertebrate), scallops (shucked), shrimp (unpeeled), from application for retardation of spoilage to whole, headed, or gutted fish (vertebrate); scallops (shucked); shrimp (unpeeled); each in fresh, uncooked, unfrozen form.

Any person who will be adversely affected by the foregoing order may, at any time prior to the thirtieth day from the effective date thereof, file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D.C., written objections thereto. Objections shall show wherein the person filing will be adversely affected by this order, specify with particularity the provisions of the order deemed objectionable and reasonable grounds for the objections, and request a public hearing upon the objections. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

*Effective date.* This order shall be effective upon publication in the FEDERAL REGISTER.

(Sec. 408(d)(2), 68 Stat. 512; 21 U.S.C. 346a(d)(2))

Dated: April 14, 1959.

[SEAL] GEO. P. LARRICK,  
Commissioner of Food and Drugs.

## Department of the Interior

### FISH AND WILDLIFE SERVICE

#### FISHING VESSEL MORTGAGE INSURANCE PROCEDURES:

A mortgage and loan insurance program designed to facilitate financing the construction of modern fishing vessels was announced on April 28 by the Secretary of the Interior.

Under this program the Government guarantees the repayment of mortgages and loans up to 75 percent of the vessel cost. For this guarantee, the vessel owner will pay the Government a premium of one percent of the amount due on mortgages, except that when the mortgage is for 50 percent or less of the vessel cost, the rate will be three-quarters of one percent. The premium on loans will be one-half of one percent.

#### SUBCHAPTER J—AID TO FISHERIES

#### PART 160—FISHERIES LOAN FUND PROCEDURES

#### PART 165—FISHING VESSEL MORTGAGE INSURANCE PROCEDURES

By notice of proposed rule making published on January 23, 1959 (24 F.R. 528), notice was given of the intention of the Secretary of the Interior to adopt regulations as therein set forth in tentative form to govern Federal ship mortgage insurance for fishing vessels. The public was informed that consideration would be given to any written comments, suggestions, or objections relating to the proposed regulations which were received by the Director, Bureau of Commercial Fisheries, Washington 25, D.C., within thirty days of the date of publication of the notice in the FEDERAL REGISTER. Response to the notice of proposed rule making was limited to one suggestion which has been incorporated in § 165.3 (c) (1) of the regulations as set forth below.

Accordingly, the headnotes for Subchapter J and Part 160 are revised as indicated above and a new Part 165 designated "Fishing Vessel Mortgage Insurance Procedures" is adopted as set forth below. These revisions shall become effective at the beginning of the 30th calendar day following the date of this publication in the FEDERAL REGISTER.

Dated: April 21, 1959.

FRED A. SEATON,  
Secretary of the Interior.

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165.1	Basis and purpose.
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165.7	Defaults.

AUTHORITY: §§ 165.1 to 165.7 issued under Title XI, 52 Stat. 969, as amended, 46 U.S.C.

A mortgage does not apply until a vessel has been constructed and registered. The term "loan" applies to that period before completion and registry. Mortgage insurance will be limited to 15 years for a vessel. The vessel owner will protect this investment against insurable losses through private companies.

Regulations governing this mortgage and loan insurance program appeared in the Federal Register of April 28, 1959. They will be effective May 28, 1959. The proposals were first carried in the Federal Register on January 23, 1959. A 30-day period for comment was allowed.

The insurance function was transferred from the Maritime Administration, Department of Commerce, in April 1958, under the provisions of the Fish and Wildlife Act of 1956.

The regulations as published in the Federal Register follow:

1271-1279; sec. 6, 70 Stat. 1122; 16 U.S.C. 742e. Sec. 3, Bureau of the Budget determination March 22, 1958, 23 F.R. 2304.

#### § 165.1 Basis and purpose.

(a) Title XI of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1271-1279), authorizes the Secretary of Commerce to insure certain eligible loans and mortgages on vessels owned by citizens of the United States. As found and determined by the Director of the Bureau of the Budget on March 22, 1958 (23 F.R. 2304), all functions of the Maritime Administration, Department of Commerce, which pertain to Federal ship mortgage insurance for fishing vessels under authority of Title XI of the Merchant Marine Act of 1936, as amended (46 U.S.C. 1271-1279), were transferred to the Department of the Interior by section 6(a) of the Fish and Wildlife Act of 1956 (16 U.S.C. 742e).

(b) The purpose of this part is to prescribe rules and regulations governing Federal ship mortgage and loan insurance with respect to fishing vessels owned by citizens of the United States under Title XI, Merchant Marine Act, 1936, as amended.

#### § 165.2 Definitions.

(a) *Fishing vessel*. The term "fishing vessel" includes all types of vessels owned by citizens of the United States used directly in the catching of fish or shellfish for commercial purposes.

(b) *Mortgage*. The term "mortgage" includes a preferred mortgage as defined in the Ship Mortgage Act, 1920, as amended, and a mortgage which will become a preferred mortgage when recorded and endorsed as required by the Ship Mortgage Act, 1920, as amended.

(c) *Loan*. The term "loan" includes any loan or advance of credit other than a mortgage loan.

(d) *Mortgagee*. The term "mortgagee" includes the original maker of a

loan secured by a mortgage and his successors and assigns.

(e) *Lender*. The term "lender" includes the original maker of a loan or advance of credit other than a loan secured by a mortgage and his successors and assigns.

(f) *Mortgagor*. The term "mortgagor" includes the original borrower under a mortgage approved by the Secretary, and his successors and assigns.

(g) *Actual cost*. The term "actual cost" of a vessel as of any specified date means the aggregate as determined by the Secretary of (1) all amounts paid by or for the account of the mortgagor or borrower on or before that date, and (2) all amounts which the mortgagee is then obligated to pay from time to time thereafter under a contract or contracts for the construction, reconstruction or reconditioning (including designing, inspecting, outfitting and equipping) of the vessels, provided such contract or contracts shall include, in addition to profit, only those items customarily included in such contract or contracts as contractor's items of cost, except where the Secretary finds that those charges are unfair or unreasonable.

(h) *Reconstruction; reconditioning*. The terms "reconstruction" and "reconditioning" contemplates a rebuilding of the hull or hull and engine of such magnitude that the actual cost is more than thirty percent of the replacement value of the vessel.

(i) *Secretary*. The term "Secretary" means the Secretary of the Interior or his authorized representatives.

(j) *Act*. The term "Act" means the Merchant Marine Act, 1936, as amended.

#### § 165.3 Eligibility requirements.

(a) *Mortgage*. To be eligible for insurance under this part, a mortgage:

(1) Shall have a mortgagee approved by the Secretary of the Interior as responsible and able to service the mortgage properly; and a mortgagor ap-



proved by the Secretary as possessing the ability, experience, financial resources, and other qualifications necessary to the adequate operation and maintenance of the mortgaged property;

(2) Shall involve an obligation in a principal amount which does not exceed 75 percent of the actual cost of the vessel, such actual cost to be determined by the Secretary prior to the execution of the mortgage and such determination to be conclusive for the purpose of determining the principal amount of the mortgage;

(3) Shall secure bonds, notes, or other obligations having maturity dates satisfactory to the Secretary not to exceed 15 years from the date of execution. In no event will a mortgage be insured for a time longer than the economic life of the mortgaged property, as determined by the Secretary. Ordinarily, the economic life of a vessel will be determined as running not more than 10 years from the date of completion of any reconstruction or reconditioning thereof.

(4) Shall contain amortization provisions satisfactory to the Secretary requiring periodic payments by the mortgagor;

(5) Shall secure bonds, notes or other obligations bearing interest (exclusive of premium charges for insurance) at a rate not to exceed 5 per centum per annum on the amount of the unpaid principal at any time; or not to exceed 6 per centum per annum if the Secretary finds that in certain areas or under special circumstances, the mortgage or lending market demands it;

(6) Shall provide, in a manner satisfactory to the Secretary, for the application of the mortgagor's periodic payments to amortization of the principal of the mortgage, exclusive of the amount allocated to interest;

(7) Shall contain such terms and provisions with respect to the operation of the vessel or vessels, in a fishery or fisheries approved by the Secretary, repairs, alterations, payment of taxes, insurance, delinquency charges, revisions, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters pertinent to the security as the Secretary may require;

(8) Shall secure a loan made to aid in financing, including payment of loans previously made to finance, and reimbursement of the mortgagor for expenditures previously made for construction, reconstruction and reconditioning (including design, inspecting, outfitting and equipping) of fishing vessels being done or having been done by the firm submitting the lowest bid after the receipt of competitive bids, unless acceptance of a higher bid has been approved by the Secretary;

(9) Shall provide that the mortgagor shall pay to the mortgagee the amount required for the payment of each mortgage insurance premium charge at least 60 days before the payment of such premium charge to the Secretary is due and shall further provide that the failure of the mortgagor to make such payment shall be a default of the mortgage;

(10) Shall provide for the acceleration of the maturity date and immediate payment of the indebtedness in the event of any default in the performance conditions of the mortgage or in the event of the loss or destruction of the mortgaged property;

(11) Shall have the contract of insurance or commitment to insure approved before the launching of a vessel, if the application covers vessel construction, or before the work of reconstruction or reconditioning is completed if the mortgage is to pay for reconstruction or reconditioning; and

(12) Shall contain such other provisions as may be agreed upon between the mortgagor and mortgagee which are not inconsistent with the provisions of the preceding paragraphs of this subsection and which are not disapproved by the Secretary.

(b) *Loans.* To be eligible for insurance under this part a loan:

(1) Shall be made by a lender approved by the Secretary to a borrower approved by the Secretary as possessing the ability, experience, financial resources, and other qualifications necessary to the adequate operation and maintenance of the property;

(2) Shall be made to aid in financing, include payment of loans previously made to finance, and reimbursement of the borrower for expenditures previously made for construction, reconstruction, or reconditioning (including design, inspection, outfitting, and equipment) of fishing vessels being done or having been done by the firm submitting the lowest bid after the receipt of competitive bids, unless the acceptance of a higher bid has been approved by the Secretary;

(3) Shall be payable prior to or simultaneously with execution of the mortgage;

(4) Shall provide that no advance shall be made thereunder unless the sum of such advance and the principal amount of all other advances under insured loans then outstanding at the time of said advance shall be less than 75 percent of the actual cost of such vessel, such actual cost to be determined by the Secretary and such determination to be conclusive for the purpose of determining the principal amount of the loan;

(5) Shall provide for the payment first, from sources other than the insured loan, by and for the account of the owner, of not less than 25 per centum of actual cost, and thereafter for payments by the lender direct to the shipyard or other contractors, except where the payment is for reimbursement of the borrower for amounts expended by or for the account of the borrower on account of actual cost but excluding reimbursement for payments required to meet the first 25 per centum of the actual cost: *Provided*, That no payment shall be made by the lender until work representing 25 per centum of actual cost shall have been performed and that payments by the lender shall at no time exceed 75 per centum of actual cost of work performed to the time of payment;

(6) Shall provide that the borrower shall pay to the lender the amount required for the payment of each loan insurance premium charge at least 60 days before the payment of such premium charge to the Secretary is due, and which shall further provide that the failure of the borrower to make such payment shall give the lender the right to mature the loan;

(7) Shall bear interest at an average interest rate not to exceed the maximum rate permitted by subparagraph (5) of paragraph (a) of this section;

(8) Shall provide for vesting of title to the vessel in the borrower according to payments made subject only to the lien or other rights of the contractor for additional amounts due and unpaid;

(9) The furnishing of satisfactory insurance and a satisfactory performance bond by the contractor;

(10) The performance of the work substantially in accordance with contract plans and specifications approved by the Secretary; with the provision that all changes under the contract require approval of the Secretary prior to the commencement of work involving the changed specifications; and the furnishing of all technical material necessary for the Secretary's approval of the changes;

(11) The furnishing of two copies of all working plans, schedules and sketches promptly after approval by the owner; two copies of correspondence regarding work being done or to be done; and one copy of the vessel's certificates, documents and test reports if required by the Secretary;

(12) Shall provide for a chattel mortgage on the vessel being constructed and such other security or collateral as the Secretary may require;

(13) Shall provide for the acceleration of the maturity date and immediate payment of the indebtedness in the event of any default in the performance conditions of the loan (mortgage) or in the event of the loss or destruction of the property (mortgaged property); and

(14) Shall contain such other provisions as may be agreed upon between the borrower and the lender which are not inconsistent with the provisions of the subparagraphs (1) to (13) of this paragraph and which shall not be disapproved by the Secretary, and such other provisions as may be required by the Secretary.

(c) *Premium charges.* (1) In the case of any mortgage insured under this part, the annual premium charge for such insurance shall be one per centum of the average principal amount of the mortgage outstanding if the face amount of the mortgage represents more than 50 per centum of the actual cost of the construction, reconstruction or reconditioning, and three-fourths of one per centum if the face amount of the mortgage represents 50 per centum or less of the actual cost of the construction, reconstruction or reconditioning.

(2) In the case of loans insured under this part the annual premium charge for such insurance shall be one-half of one per centum per annum of the average principal amount of the loan outstanding.

(3) Premium payments shall be made when moneys are first advanced under the mortgage or loan agreement and on each anniversary date thereafter. In the event that the Secretary at any time determines that the amount of any premium charge is not correct, he shall promptly give notice thereof to the lender and the borrower, specifying the amount of the deficiency or excess. The lender shall, within 30 days after receipt of said notice, pay or cause to be paid to the Secretary the amount of any deficiency. The Secretary shall promptly refund to the lender the amount of any excess.

(4) Unless otherwise specified by the Secretary, all premium charges may be

paid by check, payable to the Secretary of the Interior delivered to the Bureau of Commercial Fisheries, Department of the Interior, Washington 25, D.C., accompanied by a letter stating that the payment is on account of a premium charge under the contract of insurance and specifying the period covered by the payment.

(5) Each premium charge shall be deemed to be fully earned when paid and no refund will be made by the Secretary of any premium charge paid in the event the insurance is terminated.

#### § 165.4 Applications.

Applications may be for mortgage insurance, loan insurance, or both, or for commitments to insure.

(a) *Where filed.* Applications shall be filed with the Director, Bureau of Commercial Fisheries, Department of the Interior, Washington 25, D.C., on an application form furnished by the Bureau except that, in the discretion of the Secretary, an application made other than by use of the prescribed form may be considered if the application contains information deemed to be sufficient.

(b) *Processing of applications.* If it is determined on the basis of a preliminary review, that the application is complete and appears to be in conformity with the Act and this part, a field examination will be made. Following completion of the field examination, the application will be forwarded with an appropriate report to the Bureau of Commercial Fisheries, Washington, D.C. The application and all supporting documents must be filed in sufficient time to permit the Secretary to make a full and complete investigation and to take all other action required in respect thereto, and in any event not later than 90 days prior to the anticipated date of the closing of the transaction.

(c) *Books, records, and reports.* The Secretary shall have the right to inspect such books and records of the applicant as the Secretary may deem necessary. A commitment to insure or a contract of insurance made under this part shall be made only upon the agreement of the borrower and lender to furnish the Sec-

Note: Also see Commercial Fisheries Review, April 1959, p. 98.

retary, promptly upon his request, such reasonable material and pertinent reports, evidence, proof and information as he may require in connection with insurance granted or applied for, and to permit the Secretary, upon his request, to make such reasonable examination and audit of his records and books of account as the Secretary may deem necessary in connection with insurance granted or applied for.

(d) *Inspection of property.* The Secretary shall have access at all times to all vessels with respect to a loan or mortgage which is insured or for which an application for insurance has been filed.

(e) *Investigation fee.* Each application must be accompanied by payment pursuant to section 1104(e) of the Act in the amount of \$50 or one-half of one percent of the original principal amount of the mortgage or loan to be insured, whichever is less, which payment will be retained by the Secretary irrespective of the final disposition of the application. After preliminary consideration of the application, the applicant shall pay to the Secretary upon request such additional amount or amounts as the Secretary may deem reasonable for the investigation of the application for insurance, necessary appraisals, issuance of commitments, and inspection of property during construction, reconstruction or reconditioning: *Provided*, That total charges shall not aggregate more than one-half of one percent of the original principal amount of the mortgage or loan to be insured. Any additional amount or amounts so paid shall be retained by the Secretary if the application is approved, and one-half of any additional amount or amounts so paid shall be retained by the Secretary if the application is not approved. Unless otherwise agreed by the mortgagor or borrower and the mortgagee or lender, all such amounts shall be paid by the mortgagor or borrower.

#### § 165.5 Commitment.

A commitment to insure the loan or mortgage will be issued by the Secretary.

when such a commitment is required prior to the actual completion of the note and/or mortgage. This commitment will provide that the Secretary will insure a loan or mortgage, and will further state the terms and conditions under which this insurance will be issued. It will also contain the covenants to be accepted by the borrower and lender.

#### § 165.6 Closing procedure.

The contract of insurance shall take effect upon payment of the first year's insurance premium in accordance with § 165.3(c) and the signing of the contract of insurance by the Secretary, the borrower and the lender.

#### § 165.7 Defaults.

(a) *Rights of mortgagee, lender, or Secretary.* In the event of any act or failure to act which gives the mortgagee the right to foreclose the mortgage or the lender the right to mature the loan, any of these events being herein called defaults, the rights of the mortgagee, the lender, and the Secretary are as prescribed in section 1105(a) of the Act.

(b) *Assignment to Secretary.* In the event an assignment of the mortgage or note and of the obligations securing the mortgage or note shall be tendered to the Secretary in accordance with section 1105(a) of the Act, the assignment shall be as approved by the Secretary and annexed to the contract of insurance and such other documents as may be required by the Secretary, and shall be duly executed by or on behalf of the lender. Such assignment shall include the assignment to the Secretary of all collateral or security for the mortgage or loan and all policies of insurance held by the lender pursuant to the mortgage or loan agreement.

(c) *After assignment.* In the event the Secretary shall accept an assignment of a mortgage or loan agreement and the obligation or obligations secured by the same, upon default of the borrower, the Secretary may take any action authorized by sections 1105(c) and 1105(d) of the Act and any action authorized, permitted by, or provided for in the mortgage or loan agreement.

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#### TRANSFER OF FISH AND WILDLIFE MANAGEMENT TO ALASKA APPROVED:

Secretary of the Interior Fred A. Seaton took action on April 27 to assure transfer of the administration and management of fish and wildlife resources in Alaska to the new State.

In letters to Congress, Secretary Seaton certified, in the language of the Statehood Act, that the Alaska State Legislature has made "adequate provision for the administration, management, and conservation of the fish and wildlife resources of Alaska in the broad national interest."

The Alaska Statehood Act provided that this responsibility would be retained by the Federal Government until the first day of the calendar year following expiration of 90 legislative days after the Secretary's certification. The transfer will, therefore, be effective January 1, 1960, unless Congress adjourns before the 90-legislative-day period expires.

On March 2, Secretary Seaton wrote Acting Governor Hugh Wade, setting forth in detail some factors which he believed necessary to be adequately considered in formulating a fish and wildlife program for Alaska, in the broad national interest.

On April 23, he received Alaska House Bill No. 201, and other pertinent legislation of the Alaska Legislature.

In certifying the adequacy of the proposed programs, Secretary Seaton noted that the Department did not regard them

as "ideal." He said he was "disappointed" with some provisions of the legislation.

The text of the Secretary's letter to Congress and to Acting Governor Wade follows:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
Office of the Secretary  
Washington 25, D. C.

March 2, 1959

Dear Governor Wade:

This is in further reply to your telegram of February 5, 1959, requesting my views and assistance on fish and wildlife matters pertaining to Alaska.

We have given considerable study to the so-called Pelly-Westland amendment to section 6(e) of the Statehood Act (Act of July 7, 1958, 72 Stat. 339, 340). The amendment provides in pertinent part:

"\*\*\* the administration and management of the fish and wildlife resources \*\*\* shall be retained by the Federal Government \*\*\* until \*\*\* the Secretary of the Interior certifies to the Congress that the Alaska State Legislature has made adequate provision for the administration, management, and conservation of said resources in the broad national interest." (Emphasis supplied.)

This particular proviso was added to section 6(e) of H. R. 7999 by means of an amendment offered from the floor of the House, without prior hearings having been held thereon and without any consideration having been given to it by the Committee. Thus, all of the legislative history on the amendment is contained in the debate which took place during the consideration of the bill by the House. The only directives that the Congress gave to the people of Alaska and their elected representatives and to me are those contained in the amendment itself and the debate concerning it. This debate is to be found in the Congressional Record on pages 8411, 8412 (May 23, 1958), 8489-8491 (May 26, 1958), and 8738-8741 (May 28, 1958), and is our only means of ascertaining the purpose of the Congress in this matter.

In view of the foregoing, I have concluded, and I am sure you will agree, that the Congress expects that the Alaska Legislature and you will provide the legislative framework for carrying out a sound and efficient long-range program for the administration, management, and conservation of these immensely valuable resources in the broad national interest. Naturally the primary responsibility for such a program must rest with you as the Chief Executive and with the Legislature.

In developing such a program, there are various factors which you and the Legislature will probably wish to consider. The following are matters which, in my opinion, should be considered in formulating such a program:

#### Review of Existing Law and Regulations

Many Alaska officials are familiar with the laws and with the rules and regulations under which the Department of the Interior administers the fish and wildlife resources of Alaska. These should be carefully reviewed, and a determination should be made as to which laws and regulations should be continued under State administration, which should be changed or modified, and which might be considered unsuitable, obsolete, or unnecessary for inclusion in a State game code.

#### Experience of other Coastal and Big Game States

While we recognize that the fish and wildlife problems of Alaska are in large measure unique, a review and evaluation of the conservation laws of other States of the Union, particularly coastal States having substantial fisheries and the big game States of the West, should be of material assistance.

#### Staffing

The availability and effectiveness of the States' personnel in terms of numbers, professional qualifications, and stature must be considered. Thus, adequate provision must be made for a well-trained staff of career civil service officers and employees familiar with conditions in Alaska, who can administer and supervise the program, enforce rules and regulations, and perform the research which is necessary for the conservation of the resources.

#### Financing

Sufficient funds must be available to provide for sound administration and to prevent the wasting of the resources. Thus,

provision must be made for adequate funds so that money will be available to carry out the responsibilities imposed on or assumed by the State.

#### Form of Management Organization

Conservation of the fish and wildlife resources is a never-ending program, and as such consideration must be given to the conservation and management of each and every phase of the resource and every square mile of the area which the program covers. Thus, provision must be made for an organization which will adequately provide for continuity, especially in the making of policies pertaining to such matters as the management and conservation of the resource, staffing and promotions, and use of career personnel. The organization should provide for bipartisan representation from the different areas within the State. Further, the policy-making officials should be selected for their ability and their dedicated interest in the resource, and no identification should be made between a policy-making official and any particular segment of the population; likewise, no official should be bound to represent the interests of a specific geographical section. Provision should be made so that the organization would have regulatory and budgetary control.

#### Sanctions

Conservation of the resource cannot be effectuated without an organization which is free, procedurally, to act quickly and effectively in the issuing and amending of rules and regulations, the making of arrests, and the pressing of adequate civil and criminal penalties for violations of rules, regulations, and statutes designed to assure conservation of the resource.

#### General Provisions

Such a program should include provisions relating to search and seizure; authority to enter into cooperative programs for education, research, and predator and rodent control; authority to acquire land and water for such purposes as refuges, public hunting, access, and facilities to carry out programs in the pollution field, including control, research, and establishment of standards; and authority to receive funds from sources other than State revenues. In this last category, careful consideration should be given the requirements necessary to make your State eligible to receive grants under the Wildlife Restoration Act (16 U.S.C., sec. 669 at seq.) and the Fish Restoration Act (16 U.S.C., sec. 777 at seq.)

In setting forth my suggestions as to the factors which you and the Legislature may wish to consider, I do not wish to imply that I will necessarily use them as guidelines to measure the action taken by the Legislature against the requirements of section 6(e). From our experience in the Department of the Interior, however, these factors would ordinarily be considered in judging the adequacy of a State conservation program. Consequently, before making a certification to the Congress, I should like to have your assurance that these factors, together with the comments set forth in the debate on the Statehood bill in the House, as well as any other matters you consider appropriate, have been fully considered and weighted in determining the program and plan the State of Alaska has elected to follow.

In preparing for and effecting the transfer of the administration and management of Alaska's fish and wildlife resources from the Department of the Interior to the new State government, I wish to assure you of the full cooperation of the Department and especially of the administrative and technical personnel of its Fish and Wildlife Service. We wish to be of all possible help to you in undertaking this momentous task.

I am of the opinion that this letter satisfies fully your needs at this time. However, if you believe that you require further assistance, I am quite willing to send Mr. William Redmond of our Solicitor's office to Juneau at once for the purpose of drafting such implementing legislation as you may wish.

Sincerely,

(Sgd) Fred A. Seaton  
Secretary of the Interior

The Honorable Hugh J. Wade  
Acting Governor of Alaska  
Juneau, Alaska



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
Office of the Secretary  
Washington 25, D. C.

April 27, 1959

Dear Mr. Speaker:

Public Law 85-508, the Alaska Statehood Act, contained the following provision in section 6(e):

"Provided, That the administration and management of the fish and wildlife resources of Alaska shall be retained by the Federal Government under existing laws until the first day of the first calendar year following the expiration of ninety legislative days after the Secretary of the Interior certifies to the Congress that the Alaska State Legislature has made adequate provision for the administration, management, and conservation of said resources in the broad national interest."

In connection with the consideration of this matter, on March 2, 1959, I wrote Acting Governor Hugh Wade, setting forth in detail some factors which in my opinion were necessary to be adequately considered in formulating a fish and wildlife program for Alaska in the broad national interest. A copy of that letter is enclosed.

On April 9, 1959, the Legislature of the State of Alaska enacted House Bill No. 201 entitled "An Act relating to the fish and game resources of Alaska; providing for a Department of Fish and Game and its organizational structure; providing a code of laws relating to fish and game; providing for licensing and pre-

scribing fees thereof; providing penalties for violations; repealing certain laws relating to the fish and game resources of the State; and providing for an effective date." On April 23 I received Alaska House Bill No. 201 and other pertinent legislation of the Alaska Legislature from the Acting Governor by way of Senators Bartlett and Gruening and Congressman Rivers of Alaska. A copy of his transmittal letter is also enclosed.

We have reviewed the representations made to me in the letter of April 17 from Acting Governor Wade and the provisions of the Alaska legislation submitted to me by him. While we are disappointed with certain aspects of the legislation and regard it as short of ideal, P. L. 85-508, as I understand it, permits me to apply only a test of adequacy. Therefore, in accordance with the duty imposed upon me, I hereby certify that the Alaska State Legislature has made adequate provision for the administration, management, and conservation of the fish and wildlife resources of Alaska in the broad national interest.

Sincerely,

(Sgd) Fred A. Seaton  
Secretary of the Interior

The Honorable Sam Rayburn  
Speaker of the House  
of Representatives  
Washington 25, D. C.

Enclosures

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### REGULATIONS CLOSE BRISTOL BAY, ALASKA, TO COMMERCIAL RED SALMON FISHING:

Regulations formally closing the Bristol Bay, Alaska, commercial red salmon fishery were signed April 24 by Secretary of the Interior Fred A. Seaton. Four great river systems of Alaska, each having a traditional major salmon run, flow into Bristol Bay. Salmon from Bristol Bay migrate to the high seas of the North Pacific Ocean.

Under a convention signed at Tokyo on May 9, 1952, there was established a Provisional Abstention Line at 175° west longitude, east of which the Japanese agreed not to fish. Scientific evidence available to the United States since 1952 has revealed that Bristol Bay salmon migrate west of the Abstention Line. And Japanese high-seas fishing operations have fished extensively in some years in the area of heavy intermingling of Asian and Bristol Bay salmon between 170° east longitude and the Abstention Line at 175° west longitude.

Because of expected small salmon runs in Bristol Bay this year, which could not withstand even a limited domestic fishery on the scale of 1958, in addition to the expected Japanese operations west of the Abstention Line, Secretary Seaton announced on March 13 that the Department was contemplating action to close Bristol Bay.

The Department of State and the Department of the Interior have worked closely together in conferring with representatives of the Japanese government in an attempt to work out a solution to the high-seas problem. However, these discussions have not resulted in an arrangement which we consider would permit United States fishermen to carry on commercial fishing operations in Bristol Bay.

Secretary Seaton stated that: "Under the circumstances, and upon the basis of advice received from our Bureau of Commercial Fisheries, it is imperative that we prescribe a general closure on red salmon fishing during the coming season to allow escapement of brood stock to the spawning grounds. There is no alternative. This is the only way available to insure that there will be Bristol Bay red salmon runs in the future."

The regulations permit a subsistence-type fishery that will at least partially alleviate the hardship to the resident population of Bristol Bay, where salmon fishing is virtually the sole means of livelihood.

In the Nushagak District, which normally accounts for about 12 percent of the Bristol Bay salmon pack, the run is expected to be relatively stronger than in other sections of the area. Here a very limited subsistence-type red

salmon fishery is provided by the new regulations.

The length of the weekly fishing period will be governed by the amount of fishing gear registered for use in the Nushagak District. In the Bristol Bay area generally, commercial fishing for species other than red salmon and personal use salmon fishing by means of set nets are permitted.

Secretary Seaton indicated that further changes in the Bristol Bay regulations may be necessary, dependent upon the extent of the Japanese high-seas fishery in the North Pacific and upon field observations by the Bureau of Commercial Fisheries, United States Fish and Wildlife Service, during the fishing season. The regulations appeared in the Federal Register of April 28.



## Department of the Treasury

### BUREAU OF CUSTOMS

#### REGULATION ON LABELLING OF IMPORTED FROZEN FRESH-WATER TROUT:

A new Bureau of Customs regulation requires that imported frozen fresh-water trout packed in an envelope or other closed wrapper in which it will reach the ultimate purchaser shall be marked with the name of the country of origin by means of legible and conspicuous marking on the wrapper unless the name of the country of origin can be clearly seen through such wrapper. The regulation became effective on March 1, 1959.

Although the Food and Drug Administration has ruled that it regards wrapped frozen fish as food in package form, which normally would require a net weight statement, the net weight will not be required to be stated on the wrapped imported frozen trout where there is a variation in weight between pieces, provided that the master container bears a correct statement of net weight of the total amount in the box, and provided further that the individually-wrapped fish, when sold to the ultimate purchaser, are weighed and sold by weight.

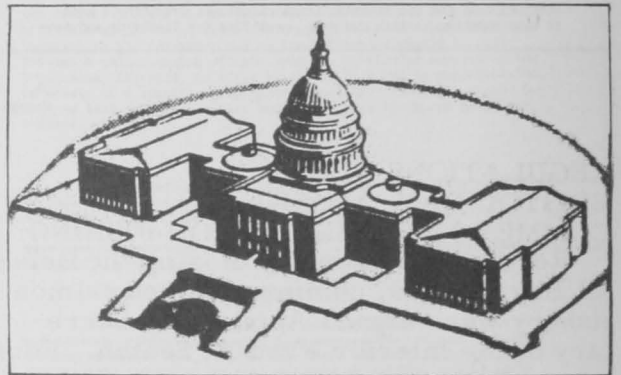
In addition to the statement of country of origin on the wrapper or envelope, it is recommended that imported frozen trout also be marked: "To be weighed at time of sale."



## Eighty-Sixth Congress

### (First Session)

Public bills and resolutions which may directly or indirectly affect the fisheries and allied industries are reported upon. Introduction, referral to



committees, pertinent legislative actions, hearings, and other actions by the House and Senate, as well as signature into law or other final disposition are covered.

**ALASKA FISH AND WILDLIFE RESOURCES:** A letter from the Secretary of the Interior (with accompanying papers) was presented to the Senate and House on April 28, certifying, pursuant to law, that the Alaska State Legislature has made adequate provision for the administration, management, and conservation of the fish and wildlife resources of Alaska, in the broad national interest; referred in the Senate to the Committee on Interstate and Foreign Commerce, in the House to the Committee on Merchant Marine and Fisheries.

**ALASKA OMNIBUS ACT:** The Subcommittee on Territorial and Insular Affairs of the House Committee on Interior and Insular Affairs on May 4 and 5 held hearings on H. R. 6091 and related bills H. R. 6109 and H. R. 6112. Subcommittee on May 11 ordered favorably reported to the full committee H. R. 6091 (amended), Alaska Omnibus Act, to amend certain laws of the United States in light of the admission of Alaska into the Union.

H. R. 7120 (Aspinall), a bill to amend certain laws of the U. S. in light of the admission of the State of Alaska into the Union, and for other purposes; to the Committee on Interior and Insular Affairs; introduced in House May 14. Similar to H. R. 6091 and related bills previously introduced.



The House Committee on Interior and Insular Affairs on May 14 introduced a clean bill, H. R. 7120; and on May 19 ordered favorably reported to the House H. R. 7120 without amendment (H. Rept. No. 369); to the Committee of the Whole House on the State of the Union.

H. R. No. 369, Alaska Omnibus Act (May 19, 1959, 86th Congress, 1st Session, Report of the House Committee on Interior and Insular Affairs together with individual views and comments to accompany H. R. 7120), 65 pp., printed. The report contains major provisions and sectional analysis of the bill, and changes in existing law. The bill includes an amendment to the Statehood Act approved by the Committee which provides for Alaska to assume jurisdiction over fisheries in 90 calendar days instead of 90 legislative days.

The Subcommittee on Territories and Insular Affairs of the Senate Committee on Interior and Insular Affairs on May 7 held and concluded hearings on S. 1541. Testimony was presented by several members of the Congress, representatives from the State of Alaska, and certain Governmental agencies, including the Department of the Interior. The Senate Committee on Interior and Insular Affairs, in executive session, on May 25 ordered favorably reported with amendments S. 1541, to amend certain laws of the U. S. in light of the admission of the State of Alaska into the Union.

The Senate Committee on Interior and Insular Affairs met in executive session on May 22 to consider S. 1541, Alaska Omnibus Bill.

ALASKA SALMON RESOURCES REHABILITATION: Memorial of the Legislative Assembly of the State of Alaska was received and presented to the House on May 11 by Speaker Sam Rayburn. The Memorial urges consideration by the President and the Congress of the United States relative to providing the State of Alaska Department of Fish and Game with annual funds of not less than \$5 million per year for not less than 15 years for the rehabilitation of the salmon resources; referred to the Committee on Merchant Marine and Fisheries.

BONNEVILLE REORGANIZATION ACT OF 1959: S. 1927 (Neuberger), a bill to amend the Bonneville Project Act in order to establish the Bonneville Power Corporation; to the Committee on Public Works; introduced in Senate May 13. The proposed legislation would reorganize the Bonneville Power Administration into a Federal corporation to facilitate the orderly conservation and development of the water resources of the Pacific Northwest with no major changes in its relationship to other agencies. Among other purposes, the Corporation will be responsible for carrying out the policies of the Federal Government for the comprehensive multiple-purpose water resources development. Further, the Corporation would endeavor to coordinate its programs with such programs for flood control, navigation improvement, irrigation development, fish and wildlife preservation and propagation, recreation development, pollution control, and protection and improvement of water supplies as shall have been developed by other agencies primarily responsible therefor.

DOGFISH SHARK ERADICATION: H. R. 7243 (Rivers of Alaska), a bill to amend the act provid-

ing for a program to eradicate the dogfish shark on the Pacific coast in order to expand such program; to the Committee on Merchant Marine and Fisheries; introduced in House May 19. Similar to S. 1264 and a House bill previously introduced which would extend the program and provide incentive payments to fishermen with respect to whole dogfish shark carcasses and dogfish shark livers.

H. R. 7323 (Pelly), a bill to provide for payment of bounties on dogfish sharks to control the depredations of this species on the fisheries of the United States; to the Committee on Merchant Marine and Fisheries; introduced in House May 21. Similar to S. 1264 and other bills previously introduced which would extend the program and provide incentive payments to fishermen with respect to whole dogfish shark carcasses and dogfish shark livers. Provides that the Secretary of the Interior be authorized to establish coastal areas in which depredations of dogfish sharks occur, and to provide for the payment of bounties for the control of such dogfish sharks in order to aid the rehabilitation of the salmon and other species of coastal fisheries. The bill specifically would expand the present program and would provide payment of a bounty of not in excess of \$10 a ton for unlivvered dogfish sharks, or not in excess of ten cents a pound for dogfish shark livers.

The Subcommittee on Merchant Marine and Fisheries of the Senate Committee on Interstate and Foreign Commerce on May 22 conducted hearings on S. 1264, to extend and expand the program for the eradication of dogfish shark on the Pacific coast.

FISHERIES ASSISTANCE ACT: The Subcommittee on Fish and Wildlife Conservation of the House Committee on Merchant Marine and Fisheries on April 28, 29, and 30 conducted hearings on H. R. 181, and related bills H. R. 390, H. R. 3053, H. R. 5421, and H. R. 5566, which would provide for assistance to depressed segments of the fishing industry.

FISH HATCHERIES: The Subcommittee on Fish and Wildlife Conservation of the House Committee on Merchant Marine and Fisheries on May 5 held and concluded hearings and on May 12 ordered favorably reported to the full committee without amendment H. R. 2398, a bill to provide for the establishment of a fish hatchery in the northwestern part of the State of Pennsylvania.

FISH AND WILDLIFE AID THROUGH EQUIPMENT TRANSFER: H. R. 7190 (Johnson of Wisconsin), a bill to provide that surplus personal property of the United States may be donated to the States for the promotion of fish and wildlife management activities, and for other purposes; to the Committee on Ways and Means; introduced in House May 18. Provides change in existing laws to include State Fish and Game Departments among State agencies eligible for receipt by transfer of surplus Federal Government property and equipment for use in furthering their wildlife conservation, restoration, and educational objectives.

FISH AND WILDLIFE COOPERATIVE RESEARCH TRAINING UNITS: S. 1781 (Magnuson), a bill to provide for cooperative unit programs of research, education, and demonstration between the

Federal Government of the United States, colleges and universities, the several States and Territories, and private organizations, and for other purposes; to the Committee on Interstate and Foreign Commerce; introduced in Senate April 23. Similar to H. R. 5814 previously introduced. Would authorize the U. S. Fish and Wildlife Service and other agencies of the Department of Interior to enter into cooperative agreements for conducting research, training, and demonstration programs.

**GREAT LAKES BASIN COMPACT: H. R. 333** (Byrnes of Wisconsin), a bill granting the consent of Congress to a Great Lakes Basin Compact, and for other purposes; to the Committee on Foreign Affairs; introduced in House January 7. Provides for cooperative action among the States of the Great Lakes area with provisions existing for the compact to be extended to include neighboring Canadian Provinces. Among other purposes and provisions the action would create an agency of the party states to be known as "The Great Lakes Commission," would promote the orderly, integrated, and comprehensive development, use, and conservation of the water resources of the Great Lakes Basin. The Commission also would be responsible for recommendations providing for uniformity or effective coordinating action in fishing laws and regulations and cooperative action to eradicate destructive and parasitical forces endangering the fisheries, wildlife, and other water resources, and for other purposes.

Also H. R. 2728 (Bentley), introduced in House on January 19, S. 548 (McNamara and 12 other Senators), introduced in Senate January 20, and H. R. 6359 (Dent), introduced in House April 14; House bills to Committee on Foreign Affairs, Senate bill to Committee on the Judiciary.

The Senate Committee on the Judiciary on April 27 ordered S. 548 favorably reported to the Senate (S. Rept. No. 231).

**Senate Report No. 231**, Granting the Consent of Congress to a Great Lakes Basin Compact (April 27, 1959, 86th Congress, 1st Session, Report of the Senate Committee on the Judiciary together with individual views to accompany S. 548), 10 pp., printed. The report contains a summary and history of the legislation, and reports from several Federal Agencies.

The Senate on April 29 passed, without amendment and cleared for the House, S. 548.

**IMPORTED COMMODITY LABELING: S. 1978** (Smathers), a bill to amend the Tariff Act of 1930 with respect to marking of imported articles and containers; to the Committee on Finance; introduced in Senate May 19. Similar to H. R. 2554 and other bills previously introduced. Provides that imported articles removed from original container by the importer, or by a jobber, distributor, dealer, retailer, or other person, repacked, and offered for sale in the new package, shall be marked to show to the ultimate purchaser in the United States the English name of the country of origin of such article.

**INTERIOR DEPARTMENT APPROPRIATIONS:** The Subcommittee of the Senate Committee on Appropriations on May 11-21 held hearings on the

proposed fiscal 1960 budget estimates for the Department of the Interior, and related agencies. Included are appropriations for the Fish and Wildlife Service and its two Bureaus. Testimony was presented by several Senators, and the Director of the Bureau of Commercial Fisheries, and the Director of the Bureau of Sport Fisheries and Wildlife.

**Department of the Interior and Related Agencies Appropriations for 1960** (Hearings before a Subcommittee on Appropriations for use by the House Committee on Appropriations, United States House of Representatives, 86th Congress, 1st Session), 1410 pp., printed. Contains budget estimates and testimony presented by witnesses and representatives of the Department of the Interior and Related Agencies in connection with appropriations for Fiscal Year 1960. Included are funds for the Fish and Wildlife Service and its two Bureaus.

**INTERIOR SUPPLEMENTAL APPROPRIATIONS:** The Senate Committee on Appropriations on April 18 favorably reported to the Senate H. R. 5916 with amendments (S. Rept. No. 207) making supplemental appropriations for fiscal year ending June 30, 1959, for all departments and agencies of the U. S. Government to cover increased pay costs and for other purposes. Included under the Department of the Interior are funds for the Fish and Wildlife Service and its two Bureaus to cover Pay Act cost increases.

**Senate Report No. 207**, Second Supplemental Appropriations Bill, 1959 (April 17, 1959, 86th Congress, 1st Session, Report of the Senate Committee on Appropriations to accompany H. R. 5916), 83 pp., printed. Contains supplemental appropriations for all departments and agencies of Government to cover increased pay costs and for other purposes for the fiscal year ending June 30, 1959. Included under the Department of the Interior are funds for the Fish and Wildlife Service and its two Bureaus to cover Pay Act increases.

For the Office of the Commissioner of Fish and Wildlife Service, the Senate Committee allowed \$24,300, the same as provided by the House but \$2,700 under the budget estimate. For the Bureau of Sport Fisheries and Wildlife, the Committee allowed \$850,500--the full amount of the budget estimate, but which the House had reduced by \$85,050. For the Bureau of Commercial Fisheries, the Committee allowed the amount of \$333,000--the same amount as provided by the House but \$37,000 under budget estimates.

The Senate on April 30 passed with amendments H. R. 5916, second supplemental appropriations for fiscal year 1959. The Senate insisted on its amendments, asked for conference with the House, and appointed conferees.

**Second Supplemental Appropriation Bill for 1959** (Hearings before the Special Subcommittee on Deficiencies for use by the House Committee on Appropriations, United States House of Representatives, 86th Congress, 1st Session), 100 pp., printed. Contains budget estimates and testimony presented for the Legislative Branch, the Judiciary, the District of Columbia, and various departments and agencies of the Executive Branch of Government to meet deficiency items and increased pay costs for fiscal year ending June 30, 1959. Included under the Department of the Interior are

funds requested by the Fish and Wildlife Service and its two Bureaus.

Second Supplemental Appropriation Bill for 1959 (Hearings before the Committee on Appropriations, United States Senate, 86th Congress, 1st Session, on H. R. 5916, an act making supplemental Appropriations for the Fiscal Year Ending June 30, 1959, and for other purposes), 1210 pp., printed. Contains budget estimates and testimony presented for all departments and agencies of Government to cover increased pay costs and meet deficiency items and for other purposes. Included are tables which reflect the budget estimates and the amounts allowed by the House on all items, including a table which gives an analysis of the increased pay costs. Included under the Department of the Interior are funds for the Fish and Wildlife Service and its two Bureaus.

Senate and House conferees on May 13 filed conference report (H. Rept. 355) on H. R. 5916.

The Senate and the House on May 14 voted to adopt the conference report (H. Rept. 355) filed by the Conferees of the Joint Committee on H. R. 5916, clearing the bill for action by the White House.

House Report No. 355, Second Supplemental Appropriation Bill, 1959 (March 13, 1959, 86th Congress, 1st Session, Conference Report of the Joint Senate and House Committee of Conferees to accompany H. R. 5916), 27 pp., printed. Contains supplemental appropriations for all departments and agencies of Government to cover pay cost increases, and for other purposes for the fiscal year ending June 30, 1959. Included are funds for the Fish and Wildlife Service and its two Bureaus to cover Pay Act increases.

For the Office of the Commissioner of Fish and Wildlife Service, the Joint Committee allowed \$24,300, the same as provided by the House and Senate but \$2,700 under the budget estimate. For the Bureau of Sport Fisheries and Wildlife, the Committee allowed \$807,550--an increase of \$42,100 over the amount originally provided by the House, but \$42,950 under the amount provided by the Senate and requested in budget estimates. For the Bureau of Commercial Fisheries, the Committee allowed the amount of \$333,000--the same as provided by the House and Senate but \$37,000 under budget estimates.

House agreed to conference report May 14 and house receded and concurred on certain amendments. Senate agreed to conference report May 14. Senate agreed to certain House amendments to Senate amendments on same date and bill cleared for President.

The President on May 20, 1959, signed into law H. R. 5916, second supplemental appropriations for fiscal year 1959 (P. L. 86-30).

#### INTERSTATE TRANSPORTATION OF FISH:

The Subcommittee on Fish and Wildlife Conservation, of the House Committee on Merchant Marine and Fisheries, on May 5 held and concluded hearings and on May 12 ordered favorably reported to the full committee without amendment H. R. 5854, a bill to clarify a provision in the Black Bass Act relating to the interstate transportation of fish, and for other purposes.

H. R. 7186 (Foley), a bill to clarify a provision in the Black Bass Act relating to the interstate transportation of fish, and for other purposes; to the Committee on Merchant Marine and Fisheries; introduced in House May 18. Similar to S. 1391 previously introduced. Provides for the shipment of fish or fish eggs in interstate commerce for breeding or stocking purposes if they are caught, sold, purchased, or transported in accordance with the laws of the state in which taken.

MARINE GAME FISH RESEARCH: H. R. 6753 (Miller), a bill authorizing and directing the Secretary of the Interior to undertake continuing research on the biology, fluctuations, status, and statistics of the migratory marine species of game fish of the United States and contiguous waters; to the Committee on Merchant Marine and Fisheries; introduced in House April 28. Similar to H. R. 5004 and related bills previously introduced which would provide for marine game fish studies and research.

MARINE LABORATORY IN FLORIDA: The Subcommittee on Fish and Wildlife Conservation, of the House Committee on Merchant Marine and Fisheries, on May 5 conducted and concluded hearings and in executive session on May 12 ordered favorably reported to the full committee without amendment H. R. 350, a bill to provide for the construction of a Fish and Wildlife marine laboratory in the central Gulf coast area of Florida.

OCEANOGRAPHY EDUCATIONAL ASSISTANCE: H. R. 6298 (Brooks of Louisiana), a bill to amend the National Science Foundation Act of 1950 to provide financial assistance to educational institutions for the development of teaching facilities in the field of oceanography, and to provide fellowships for graduate study in such field; to the Committee on Science and Astronautics; introduced in House April 13. Would provide for grants to accredited nonprofit institutions of higher education to assist them in carrying out programs for the acquisition and development of facilities for the teaching of oceanography. Further and in order to assist in meeting the need for increased numbers of qualified oceanographers, would provide funds to award graduate fellowships for study in the field of oceanography. The authorized amounts to be appropriated for any fiscal year would not exceed \$500,000 for grants and not more than \$300,000 for graduate fellowship awards.

POWER PROJECTS FISHERIES RESOURCES PROTECTION: House Joint Memorial of the Legislative Assembly of the State of Oregon to the President and Congress of the United States was presented in the Senate by Senator Morse on April 15. The Memorial urges that additional Federal appropriations may be made available through the Department of Defense or the Department of the Interior to facilitate planning for the passage of fish and planning for hydroelectric dams in the rivers of the Pacific Northwest; referred to the Committee on Appropriations.

S. Con. Res. 35 (Magnuson and 6 other Senators), a concurrent resolution expressing the sense of the Congress that the Secretary of the Interior should immediately undertake an intensified research program, dealing with the upstream and downstream passage of salmon on the Columbia River and its tributaries; to the Committee on Interstate



and Foreign Commerce; introduced in Senate May 13, 1959. Excerpts from the remarks made by Senator Magnuson with reference to the concurrent resolution follow:

"To finance this program additional funds will be required. The Department currently has full authority to undertake such research. The problem is money.

"The concurrent resolution expresses the sense of the Congress that such funds should be provided by the respective Appropriations Committee substantially in accordance with a report entitled 'A Priority Research Program for Fish and Dams in the Columbia River Basin,' which was submitted to the Columbia Basin Inter-Agency Committee by its Fisheries Subcommittee on February 11, 1959.

"The February 11 report recommends a 3-year crash program, calling for the expenditure of \$700,000 the first year and \$1 million for each of the two following years. . . .

"The concurrent resolution further declares it to be the sense of the Congress that while this study is in progress, the Federal Power Commission should not license any projects in the so-called Middle Snake Basin until the Secretary makes his final report to the Congress on the success of this intensified research effort. Approximately 80 percent of certain salmon runs are produced in the Salmon River--which is a part of the Middle Snake River Basin.

"It is possible that our scientists could make a major breakthrough within a year or even 2 years, if this effort gets under way. If such should be the case and the Secretary of the Interior so reports to the Congress, the concurrent resolution would become inoperable. With good luck and good planning, therefore, we might come up with a permanent solution to the running controversy that has existed between builders of dams and the conservation of fish. . . ."

**PRICE DISCRIMINATION ENFORCEMENT OF ORDERS:** The Antitrust Subcommittee of the House Committee on the Judiciary conducted hearings May 27-28 on S. 726 and related bills, to amend section 11 of the Clayton Act, to provide for the more expeditious enforcement of cease and desist orders issued thereunder, and for other purposes.

**PUERTO RICO STATEHOOD:** H. R. 7003 (Anfuso), a bill to provide for a referendum in Puerto Rico on the admission of Puerto Rico into the Union as a State, and to establish the procedure for such admission if the people of Puerto Rico desire it; to the Committee on Interior and Insular Affairs; introduced in House May 7.

**PUERTO RICO AND UNITED STATES COMPACT AMENDMENTS:** S. 2023 (Murray), a bill to provide for amendments to the compact between the people of Puerto Rico and the United States; to the Committee on Interior and Insular Affairs; introduced in Senate May 21. The proposed amendments are largely technical in order to eliminate inappropriate provisions, and to clarify, develop, and perfect the terms of existing law so as to achieve better fulfillment of purpose and strengthen the compact.

**SALMON IMPORT RESTRICTIONS:** The Merchant Marine Subcommittee of the Senate Committee on Interstate and Foreign Commerce on May 4-5 held and concluded hearings on S. 502, to prohibit importation into the U. S. of salmon caught on the high seas in nets. Testimony favoring the bill was heard from Donald L. McKernan, Director, Bureau of Commercial Fisheries, Department of the Interior; and Mal Xavier, National Fisheries Institute of Washington. Testimony in opposition to the bill was heard from a representative of the American Seafood Distributors Association. Subcommittee also heard testimony, in executive hearings, from representatives of the Department of State.

The Subcommittee on Fisheries and Wildlife Conservation of the House Committee on Merchant Marine and Fisheries on May 14 held hearings on H. R. 4293, to prohibit importation into the United States of salmon caught on the high seas in nets. Testimony was presented by Representatives Pelly, Westland, Magnuson, and other Government witnesses.

**SALT-WATER RESEARCH LABORATORY:** The Subcommittee on Fish and Wildlife Conservation, of the House Committee on Merchant Marine and Fisheries, on May 5 held and concluded hearings and on May 12 ordered favorably reported to the full committee without amendment H. R. 4402, a bill to provide for the construction of a salt-water research laboratory at Seattle, Wash.

**SHIP MORTGAGE INSURANCE AMENDMENTS OF 1959:** The Senate Committee on Interstate and Foreign Commerce on April 22 ordered favorably reported to the Senate S. 1434 as amended (S. Rept. No. 216), to amend the Merchant Marine Act with respect to insurance of ship mortgages. Provides for a new section which would permit the prospective owner of a vessel to delay placing a mortgage on the vessel until some time after it has been delivered by the shipbuilder, without losing privilege of having the mortgage insured by the Secretary of Commerce. The purpose of the new section is to permit the prospective owner to save interest, and to reduce the period of time during which the Secretary of Commerce is under risk with respect to the mortgage.

Senate Report No. 216, Amendment to the Merchant Marine Act with Respect to Insurance of Ship Mortgages (April 22, 1959, 86th Congress, 1st Session, Report of the Senate Committee on Interstate and Foreign Commerce together with individual views to accompany S. 1434), 12 pp., printed. Committee's report, which is favorable, discusses the effect of the bill, summarizes recommendations of several Government departments, presents the reports of those departments, and points out changes in existing law. Provides amendment to existing law so as to allow deferment in placing mortgages on vessels until some time after delivery by the builder so as to get the best possible interest rate, yet still retain the right to be eligible for mortgage insurance. At the same time there would be no increase of Government risk or need for additional Federal expenditure under the legislation. What this means is that at a later date a vessel owner who used his own funds to build a vessel could place a mortgage on the vessel already built and apply the resulting funds to the building, rebuilding, or reconditioning of another vessel.

The Senate on May 11 passed with amendments S. 1434, to amend the Merchant Marine Act with respect to insurance of ship mortgage.

**SHRIMP CONSERVATION CONVENTION WITH CUBA:** The convention between the United States of America and Cuba for the conservation of shrimp, signed at Habana, Cuba, on August 15, 1958, and which was transmitted on March 5, 1959, to the Senate by the President of the United States for ratification together with a report of the Acting Secretary of State, was favorably reported to the Senate on May 5 by the Committee on Foreign Relations, without reservation (Exec. Rept. No. 3).

**SMALL BUSINESS ACT AMENDMENTS OF 1959:** A letter from the Administrator, Small Business Administration, was presented to the House and to the Senate on April 30, 1959, transmitting a draft of proposed legislation to amend the Small Business Act, and for other purposes (with accompanying papers); referred to the respective Senate and House Committees on Banking and Currency.

**SMALL BUSINESS INVESTMENT ACT OF 1958:** Subcommittee No. 1 of the Select Committee on Small Business held hearings May 11-13 on the administration by the Small Business Administration of the Small Business Investment Act of 1958.

**SMALL BUSINESS CAPITAL BANK SYSTEM:** H. R. 6594 (Patman), a bill to create a Small Business Capital Bank System, under the supervision of the Small Business Administration, to increase the availability to small business of equity and long-term capital where such capital is not available on reasonable terms from existing sources, and for other purposes; to the Committee on Banking and Currency; introduced in House April 23.

**SMALL BUSINESS TAX RELIEF:** H. R. 6459 (Chamberlain), a bill to provide a minimum initial program of tax relief for small business and for persons engaged in small business; introduced in House April 16; also H. R. 6501 (McCulloch), H. R. 6502 (Moore), H. R. 6503 (Avery), H. R. 6504 (Smith of California), H. R. 6505 (Robison), H. R. 6506 (Quie), all introduced in House April 20; H. R. 6771 (Cederberg) introduced in House April 29, and H. R. 6941 (Roosevelt) introduced in House May 6; all to the Committee on Ways and Means. Similar to H. R. 2 and other related bills previously introduced which provide for tax adjustment in the interest of small business.

**UNEMPLOYMENT RELIEF IN DEPRESSED AREAS:** S. 1779 (Byrd of West Virginia), a bill to provide for the encouragement of economic redevelopment; to the Committee on Banking and Currency; introduced in Senate April 23. Similar to H. R. 71 and other bills previously introduced which provide for economic aid, redevelopment assistance, and unemployment relief to depressed areas.

The House Committee on Banking and Currency on May 5 held and concluded hearings and ordered favorably reported S. 722 (amended), which was passed by the Senate March 23, to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically depressed areas.

**House Report No. 360, Area Redevelopment Act** (May 14, 1959, 86th Congress, 1st Session, Report of the House Committee on Banking and Currency together with minority and individual views to ac-

company S. 722), 72 pp., printed. Contains legislative background, major provisions, cost of the program, differences between the bill as passed by the Senate and the bill as reported in the House, sectional analysis of the bill, and change in existing law. The appendix lists industrial areas that may qualify for assistance and the Counties by States which must be designated as Rural Redevelopment Areas.

**WAGES:** H. R. 6564 (Dorn of New York), a bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in activities affecting commerce, to increase the minimum wage under the Act to \$1.25 an hour, and for other purposes. Also H. R. 7291 (Kasem), introduced in House May 20; both to the Committee on Education and Labor. Similar to H. R. 188 and other bills previously introduced which would amend the Fair Labor Standards Act to extend coverage under the Act, provide for an increase in the minimum hourly wage rate, and for other purposes.

The Subcommittee on Labor of the Senate Committee on Labor and Public Welfare held hearings May 7-8, May 11-15 and May 26-29, on S. 1046, and other related bills proposing amendments to the Fair Labor Standards Act, to increase the minimum hourly wage rate, and for other purposes.

S. 1967 (Prouty), a bill to amend the Fair Labor Standards Act of 1938, as amended; to the Committee on Labor and Public Welfare; introduced in Senate May 15. Similar to H. R. 188 and other bills previously introduced which would extend coverage under the Fair Labor Standards Act, and for other purposes.

The Administration sponsored bill would, among other purposes, extend coverage under the Fair Labor Standards Act by (1) including in the interstate commerce coverage of the law employees who are engaged in the activities of any business enterprise in which the total annual value of incoming merchandise, materials, or supplies moving directly across State lines to its place or places of business is \$1 million or more and 100 or more employees are employed by the employer, and (2) exclude from certain minimum wage exemptions contained in the present Act employers of 100 or more workers so as to insure the protection of a minimum wage to employees of these large employers who come within the interstate commerce coverage of the Act either under the present language of the law or under the proposed amendments.

The proposed amendments would not change the present status of employees employed in executive, administrative, professional, or outside sales capacities. The present exemptions for fishermen; for agricultural and irrigation workers; learners, apprentices, messengers, and handicapped workers; for workers on agricultural commodities in the area of production; for seamen on foreign vessels; and for newsboys would remain unchanged.

The Subcommittee on Labor of the Senate Committee on Labor and Public Welfare, which has been conducting hearings on S. 1046 (Kennedy) and other bills proposing amendments to the Fair Labor Standards Act, continued hearings on Tuesday, May 19. The Subcommittee then recessed subject to call.