

matter. I think the administration would readily accept a 3-year extension of the law, if it provides for sound programming and better administration.

HOUSING ACT OF 1959—VETO MESSAGE (S. DOC. NO. 52)

Mr. JOHNSON of Texas. Mr. President will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. JOHNSON of Texas. Will it suit the convenience of the Senator from Minnesota if we have the housing veto message read and then have an hour of debate on it, and then vote to override the veto?

Mr. HUMPHREY. If I hear correctly, a veto message on the housing bill has been received. I may say to the majority leader it would not only suit my convenience, but I wish to join in the denunciation of such a veto.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the housing veto message be read, and that following its reading the time for debate be equally divided to be controlled by the Senator from Illinois [Mr. DIRKSEN] and the Senator from Alabama [Mr. SPARKMAN] to the extent of 1 hour.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Alken	Fulbright	Monroney
Allott	Gore	Morse
Anderson	Green	Morton
Bartlett	Gruening	Moss
Beall	Hart	Mundt
Bennett	Hartke	Murray
Bible	Hayden	Muskie
Bridges	Hickenlooper	Neuberger
Bush	Hill	Pastore
Butler	Holland	Prouty
Byrd, Va.	Hruska	Proxmire
Byrd, W. Va.	Humphrey	Randolph
Cannon	Jackson	Robertson
Capehart	Javits	Russell
Carlson	Johnson, Tex.	Saltonstall
Carroll	Johnston, S.C.	Schoeppel
Case, N.J.	Jordan	Scott
Chavez	Keating	Smathers
Clark	Kefauver	Smith
Cooper	Kerr	Sparkman
Cotton	Kuchel	Stennis
Curtis	Langer	Symington
Dirksen	Lausche	Talmadge
Dodd	Long, Hawaii	Thurmond
Douglas	Long, La.	Wiley
Dworshak	McCarthy	Williams, N.J.
Eastland	McClellan	Williams, Del.
Ellender	McGee	Yarborough
Engle	McNamara	Young, N. Dak.
Ervin	Magnuson	Young, Ohio
Fong	Mansfield	
Frear	Martin	

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). A quorum is present. The clerk will read the veto message from the President of the United States.

The legislative clerk read as follows:

To the Senate of the United States:

I return herewith, without my approval, S. 2539, "an act to extend and amend laws relating to the provision and

improvement of housing and the renewal of urban communities, and for other purposes."

On July 7, I returned an earlier housing bill, S. 57, to the Senate and set forth in an accompanying message of disapproval many of that bill's objectionable features. Although some of these features have been removed in S. 2539, and some partially corrected, in its most important provisions S. 2539 represents little overall improvement over S. 57. In one respect—the setting of an expiration date next fall on the new loan insurance authorization of the Federal Housing Administration, with potentially serious disruptive effects on the building industry—S. 2539 is worse than the earlier housing bill.

Clearly this bill, like its predecessor, goes too far. It calls for the spending of more than 1¼ billion of taxpayers' dollars for housing and related programs over and above the vast expenditures to which the Federal Government is already committed for these purposes. The history of the bill indicates that the Congress intends it to be a 1-year bill. So regarded, S. 2539 calls for Federal spending at virtually the same rate as that provided for by S. 57—a rate far in excess of my recommendations to the Congress.

At a time when critical national needs heavily burden Federal finances, this bill would start two new programs, certain to cost huge sums in the future, under which taxpayers' money would be loaned, at subsidized interest rates, for purposes that could be better met by other methods.

One of the new programs would have the Federal Government make direct loans to colleges for classrooms and related facilities and equipment by methods that would tend to displace the investment of private funds in these projects. This is Federal aid to education in a highly objectionable form.

The other new program would have the Federal Government make direct loans for housing for elderly persons despite the fact that a program is already in operation and working well, at no cost to the taxpayer, and under which private loans for this same purpose are guaranteed by the Federal Government.

Among its other objectionable features, this bill would authorize 37,000 new units of public housing while many thousands of previously authorized units have not been completed or occupied. These, too, would be subsidized, on a basis that would cost the taxpayer many hundreds of millions of dollars over the next 40 years. The bill would also authorize \$650 million of Federal grants to cities for urban renewal projects. This sum considerably exceeds the first-year amount recommended by the administration for these purposes.

This is not the kind of housing legislation that is needed at this time. It does not help the housing industry for the Federal Government to adopt methods that in these times would increase inflationary pressures in our economy and thereby discourage the thrift on which home financing is heavily depend-

ent. Nor does it make sense to purport to assist any group of citizens, least of all elderly persons living on fixed retirement incomes, by legislation that tends further to increase the cost of living.

There is still time for the Congress to enact a sound housing bill, and I once again urge that it do so. These things can be and ought to be done: (1) remove the ceiling on FHA mortgage insurance authority; (2) extend the FHA program for insurance of property improvement loans; (3) enact reasonable authorizations for urban renewal grants and college housing loans and adjust the interest rate on the latter; (4) extend the voluntary home mortgage credit program; and (5) adjust the statutory interest rate ceilings governing mortgages insured under FHA's regular rental and cooperative housing programs.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, September 3, 1959.

The Senate proceeded to reconsider the bill (S. 2539), to extend and amend laws relating to the provision and improvement of housing and the renewal of urban communities, and for other purposes.

The PRESIDING OFFICER. The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

Under the unanimous-consent agreement 1 hour is allotted on the veto message, to be equally divided.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes to the Senator from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. President, I suppose it is needless for me to say that I regret exceedingly to see this action taken by the President of the United States. I do not question his right to exercise the veto power, but I do believe that it was wrongfully done in this case, and I wish very briefly to point out some of the statements in the veto message which do not give a clear picture of the situation.

In the first place, the President says that the bill calls for the spending of more than \$1¼ billion. That statement needs considerable explanation, much more than I can give in the time I have at my disposal. However, that figure includes all the public housing over the next 40 years. It includes urban renewal, for which the money will be spent over a period of 15 or 20 years. It includes all the loans that will be advanced under various programs and paid back with a profitmaking rate of interest to the Government of the United States.

The President refers to the college classroom provision as being particularly objectionable, and says that it is Federal aid to education in a highly objectionable form.

We might have an explanation as to why it is objectionable—certainly not so far as the amount is concerned, because his own program calls for \$500 million in grants to private colleges, whereas the bill calls for loans to both tax-supported and private colleges, in the amount of \$50 million, to be paid back at a rate of interest which actually would make money for the Government of the United States.