

**SECOND DEFICIENCY
APPROPRIATION BILL FOR 1949**

HEARINGS

BEFORE THE

**SUBCOMMITTEE OF THE
COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES**

EIGHTY-FIRST CONGRESS

FIRST SESSION

ON THE

**SECOND DEFICIENCY
APPROPRIATION BILL FOR 1949**

Printed for the use of the Committee on Appropriations





We have just finished a \$10,000,000 hydrogenation demonstration plant at Louisiana, Mo. That plant will be operated about the end of April or early May and we expect to run it on a wide variety of coals in the United States. By making coals available and developing methods for converting them to oil, we open up a vast reserve of new liquid fuels in the United States.

You say to me now that those processes are not quite as cheap as the processes for producing oil out of the ground. That is true, but the prices have been halved since we started work. German costs during the war were about 30 cents a gallon. We figure at the present time that our costs are between 10 and 15 cents a gallon, depending upon how much you allow for byproducts and the rate at which you amortize the plant.

I believe that before many years have passed, if we are allowed to run that plant and operate it and learn what we can with these processes, we will develop methods for producing oil which will produce gasoline and oil as cheap as producing these products from petroleum.

We are now building at Louisiana, Mo., a second plant, a so-called Fischer-Tropsch plant, which will produce oil from coal by an entirely different process. It will produce an excellent Diesel oil and a fine motor gasoline as well as valuable waxes. That plant is about one-fifth finished. We have one end of the plant done, on which we have invested \$1,000,000. We need somewhat over \$4,000,000 to complete that plant and then we would like to operate it to develop the processes for utilizing coal by the Fischer-Tropsch method.

POTENTIAL INCREASE IN OIL RESERVES

When all of this work is done, the United States will not be talking about a reserve of oil of 25 or 30 billion barrels, but we will be talking of a reserve of hundreds of billions of barrels.

OBJECTIVE OF PROGRAM

Mr. WHITTEN. You make a very good job of selling your subject matter, but the question that I asked was this. Is it your conception that you should go far enough to make the results of your work meet a part of the present-day demand for fuels, or it is simply to prove that you can do it; that is, learn what methods to use to be able to do it, so that this reserve shall be available? Or is it your point to start using that reserve? Your answer to that question would go a long ways to determining the size of the operation that you need. Personally, it seems to me, from what you have already said, that you have reached the point of proving that you can do it and on a large enough scale and that that would be about all that should devolve upon the Federal Government; that beyond that it would be up to private enterprise.

Mr. BOYD. That is the object of this program, to find out if we can and how we can do it. There is no part in this program which goes beyond that. And from there we would make the information available to industry to go beyond that point, unless Congress would decide that in the national defense interest it was necessary to go ahead one more step. That debate is now before the Congress and we have no opinion to express about it.

Mr. RABAUT. If there is nothing further, thank you, gentlemen.

MONDAY, MARCH 28, 1949.

NATIONAL PARK SERVICE

STATEMENTS OF A. E. DEMARAY, ASSOCIATE DIRECTOR; K. P. NEILSON, FINANCE OFFICER; R. W. SMITH, FORESTER; F. T. GARTSIDE, ASSISTANT SUPERINTENDENT, NATIONAL CAPITAL PARKS; R. F. LEE, CHIEF HISTORIAN; DR. FRANK H. H. ROBERTS, JR., SMITHSONIAN INSTITUTION; AND R. K. OAKLEY, RIVER PLATE AFFAIRS, DEPARTMENT OF STATE

EMERGENCY RECONSTRUCTION AND FIGHTING FOREST FIRES

Mr. RABAUT. We have before us some items contained in House Document No. 93, for the National Park Service. The first is for an additional amount for "National Park Service" for emergency reconstruction and fighting forest fires, \$304,800, to remain available until June 30, 1950.

Mr. DEMARAY. That is correct.

EXPENDITURES THROUGH DECEMBER 1948

Mr. RABAUT. Will you tell us how much has actually been expended; how much you need for the rest of the year and what your estimated expenditures will be?

Mr. DEMARAY. This estimate includes the amount expended for fighting forest fires and an amount estimated to be necessary to repair damage that has been caused by snow and floods.

The amount that has actually been expended for fighting forest fires is \$189,638.72.

Mr. RABAUT. As of what date?

Mr. DEMARAY. As of December 31, 1948. Those expenditures include three big fires.

Mr. RABAUT. Is that the amount actually expended?

Mr. DEMARAY. Yes, sir.

Mr. RABAUT. What else has been spent up to that date?

Mr. DEMARAY. For replacement, repairs, and reconstruction we have obligations of \$145,167.53.

Mr. RABAUT. As of the same date?

Mr. DEMARAY. Yes.

Mr. RABAUT. What else have you got?

Mr. DEMARAY. We have also expended in repairing road damage that has been caused by floods—it has been expended and we are not asking for replacement of this amount, because we paid for it from the roads and trails, \$88,600. That is our total.

Mr. RABAUT. How much of a reserve will there be for the balance of the year?

Mr. DEMARAY. There will be no reserve whatever and since this estimate of December 31 was prepared we have incurred additional damages amounting to about \$45,000. If the heavy snows of this past winter result in sudden run-offs, we will be faced with additional damage.

Mr. RABAUT. Then you have no reserve at all?

Mr. DEMARAY. No, sir; we have no reserve whatever.

METHOD OF FINANCING PROGRAM

Mr. WIGGLESWORTH. Is it customary in respect to both of these items to make a small appropriation annually in advance and then supplement it as, in this instance, by large deficiency requests?

Mr. DEMARAY. Yes, sir. The Interior Department subcommittee for many years has given us a token appropriation of \$30,000 and the authority to transfer to that item funds to meet these emergencies.

EXPENDITURES, FISCAL YEAR 1948

Mr. WIGGLESWORTH. What was the over-all expenditure for these two items in the fiscal year 1948?

Mr. DEMARAY. In 1948 we received \$530,000.

Mr. WIGGLESWORTH. I have no further questions.

SALARIES AND EXPENSES, NATIONAL CAPITAL PARKS

Mr. RABAUT. The next item is for an additional amount for "Salaries and expenses, National Capital Parks," \$70,000. Tell us the necessity for this.

WAGE INCREASES AND PUBLIC LAW 900 COSTS

Mr. DEMARAY. \$15,000 is for wage increases awarded per diem employees pursuant to the Interior Department Appropriation Act, and \$55,000 is for pay increases authorized by Public Law 900.

Mr. WIGGLESWORTH. I did not understand what the \$15,000 was for.

Mr. DEMARAY. That was for wage increases incident to per diem employees. The per diem employees have wage boards which set wages which are comparable to those of agencies operating in the District of Columbia.

Mr. RABAUT. The item of \$55,000, did you absorb some of that total item?

Mr. GARTSIDE. None of it can be absorbed, sir.

Mr. RABAUT. Why not?

Mr. GARTSIDE. Increases in cost of materials and equipment needed in connection with the maintenance and operation of the park system prevent it.

Mr. RABAUT. Are you talking about the \$15,000?

Mr. GARTSIDE. Yes, sir.

Mr. RABAUT. I am talking about the \$55,000, the pay increase under the Public Law 900; could you not absorb any of that?

Mr. GARTSIDE. That applies to the justification for the entire \$70,000.

Mr. RABAUT. Did you absorb any that would apply toward covering the expenditures necessary under Public Law 900?

Mr. GARTSIDE. No, sir; because we were required by law to assume additional financial responsibility during the year in operating additional park areas, plus the increased cost of materials and equipment.

Mr. WIGGLESWORTH. The increase for per diem employees, is that a matter of law or a matter of policy within the Department, or what? I am not clear on that.

Mr. GARTSIDE. The Interior Department Appropriation Act for 1949 stipulates—

that per diem employees be paid at rates of pay approved by the Secretary not exceeding current rates for similar services in the District of Columbia * * *.

The Secretary approved rates of pay for these employees on August 24, 1948, resulting in increases varying from 8 cents per hour for mechanics to 21 cents per hour for laborers. We have listed the rates in detail in the written justification.

APPROPRIATION, OBLIGATIONS, AND EXPENDITURES

Mr. WIGGLESWORTH. What was your over-all appropriation for "Salaries and expenses, National Capital Parks"?

Mr. GARTSIDE. \$790,000.

Mr. WIGGLESWORTH. How much have you expended as of some recent date?

Mr. GARTSIDE. We have expended as of the end of February \$591,688.

Mr. WIGGLESWORTH. That is as of February 28?

Mr. GARTSIDE. Yes, sir.

Mr. WIGGLESWORTH. That is for 8 months.

Mr. GARTSIDE. In order to complete the picture I might tell you about our obligations.

In addition to the \$790,000 appropriated we expect to perform reimbursable services for other agencies of the Federal Government in the amount of \$90,000, making the total estimate available for the year \$880,000.

We have obligated from July through February \$661,000, leaving a balance for the 4 months of \$219,000.

The monthly rate of obligation from July through February, because of the increased rate, has been \$82,625. The monthly rate available under our present balance for the 4 months would be \$54,750 and the monthly rate including the \$70,000 that we have requested would give us \$72,250, and will require a curtailment in public services at the rate of approximately \$10,000 per month for the remainder of the year.

Mr. WIGGLESWORTH. No further questions.

RIVER-BASIN STUDIES

Mr. RABAUT. The next item is for an additional amount for investigations and studies of recreational resources and archeological remains in river basins of the United States (except the Missouri River Basin), \$200,000.

I understand you made a request for \$400,000 originally for 1949 and they allowed you \$137,954; is that right?

Mr. LEE. Yes, sir.

ARCHEOLOGICAL EXCAVATIONS IN AREAS TO BE FLOODED

Mr. RABAUT. The purpose of this estimate, you say, is to provide funds for archeological excavations in river-basin areas where construction of dams and resultant flooding would result in loss of important archeological remains.

Is this a work that you think we should be carrying on at this time when our budget is so heavy and the country is in debt?

Mr. LEE. If it is ever to be done it will have to be done soon. The Allatoona Reservoir is going to begin to flood this summer.

The Davis Dam will flood in December, 1949.

McNary will begin to flood early in 1950. At Fort Gibson, two important prehistoric mounds are being plowed down for road filling as part of the construction project.

Mr. RABAUT. How long has this activity been carried on in the Government?

AUTHORITY FOR WORK AND AMOUNT APPROPRIATED

Mr. LEE. The authority for this work is the Historic Sites Act of 1935. Surveys of these reservoir areas, which is one type of many that can be done under that authority, were started three years ago.

Mr. RABAUT. How much money have you had to locate these sites?

Mr. ROBERTS. About \$200,000.

Mr. RABAUT. That is quite a sum of money merely to locate sites.

Mr. ROBERTS. No, when you consider that we take in the whole United States.

Mr. WIGGLESWORTH. That was appropriated when? This fiscal year?

Mr. ROBERTS. No, sir; over a period of years beginning in 1947.

Mr. RABAUT. You say you have located sites. What does that mean? You have some fellow who walks out and takes a look at it?

Mr. ROBERTS. Yes, sir. They go out in field parties and cover the area that is to be flooded; they cover it on foot to see what is there in the way of village remains, mounds, or other material. 101 areas exclusive of the Missouri Valley River Basin have been surveyed and reports of this character have been prepared on them.

ACTION OF INTERIOR DEPARTMENT SUBCOMMITTEE ON 1950 APPROPRIATION BILL

The clerk of this committee calls my attention to the fact that in the report of the Interior Department appropriation bill, that came out this morning, there is the following:

Investigation of recreational resources and survey and excavation of archeological resources in the river basins. For this activity the 1950 budget estimate is \$180,000. No funds are provided in the bill for this purpose, since the committee is of the opinion that the appropriation of funds for the Federal Government to conduct investigations looking toward the development of additional recreational areas and the excavation of archeological matter is unjustified at this time. * * *

Do you have any obligations that you have not yet paid up to now?

Mr. ROBERTS. No, sir.

(The following was submitted later:)

(NOTE.—\$7,300 of the total estimate of \$200,000 is to cover costs of Public Law 900 representing commitments and obligations which have already been incurred during the 1949 fiscal year. Mr. Roberts in stating that no commitments had been made had reference only to the amount of \$192,700 which was proposed for archeological excavations. Therefore, the amount of \$7,300 representing Public Law 900 costs for the 1949 fiscal year which have already been incurred will have to be appropriated in the full amount even though the balance of the estimate of \$192,700 for archeological excavations is denied in full or in part.)

Mr. RABAUT. We would not be doing an injustice to anybody to whom we owed money if we denied this request.

Mr. ROBERTS. We have not started these projects.

Mr. WIGGLESWORTH. How much cash have you got on hand and how much have you spent?

Mr. ROBERTS. We have enough on hand right now to carry us to the end of the fiscal year.

Mr. WIGGLESWORTH. How much? You said you had about \$200,000. Do you not know how much you have spent?

Mr. LEE. That \$200,000 was over the past three fiscal years.

Mr. WIGGLESWORTH. How much have you spent and how much do you have on hand?

Mr. LEE. I should think the amount on hand would be approximately \$10,000 out of this appropriation as of March 28.

Mr. WIGGLESWORTH. You do not know?

Mr. ROBERTS. Yes, sir; \$17,500 and some odd as of February 28.

Mr. WIGGLESWORTH. That is on hand?

Mr. ROBERTS. Yes, sir.

Mr. RABAUT. If this request has been denied by the regular subcommittee for the fiscal year 1950, why should it be continued for the balance of this fiscal year?

Mr. LEE. The estimate that we have submitted is to carry out recommendations that were made as a result of surveys that Congress authorized. These surveys were conducted in these five reservoirs in 1947 and 1948. There has been very widespread interest over the country in this work.

Mr. RABAUT. What do you mean by widespread interest?

Mr. LEE. The universities of Texas, Kentucky, Georgia, Washington, Oregon, California, Denver, Oklahoma, Western State College, Chicago and a number of others have cooperated in these surveys.

Mr. RABAUT. Have any of those universities supplied any funds to assist in this matter?

Mr. LEE. Yes, sir; the 17 universities have spent \$55,000 of their own funds in work of this character. But these projects are beyond their resources.

(Discussion off the record.)

Mr. DEMARAY. May I try to straighten out this situation with regard to the action of the Interior Department Subcommittee?

Mr. RABAUT. Very well.

Mr. DEMARAY. The \$180,000 which we presented in the Budget, and which the committee report has indicated they would not allow, was primarily for recreational surveys and studies of which the studies of these archeological sites were only a minor portion. They have indicated that so far as that part of the work is concerned they do not feel it is necessary to go further.

Mr. RABAUT. Have they given you any money for archeological work?

Mr. DEMARAY. No, this is the first time we have asked for money for actual excavation and the reason for asking for it now is that in these particular reservoirs unless Congress gives us the funds now the opportunity to excavate and to recover archeological remains is forever lost to us.

Mr. RABAUT. There would not seem to be very much purpose in our approving an item here when the regular subcommittee has denied an item for the same purpose. This committee considers only deficiency and supplemental requests.

Mr. DEMARAY. There were two different subjects. One was the investigation of sites for recreational resources and this has to do with actual excavation.

Mr. RABAUT. The excavation of sites for archeological remains, as I understand, was the primary work of your group. The location of recreational facilities or of sites for recreational facilities was a secondary part of your work. It seems that the secondary part of your work is jumping into first place, but your primary work has had a very serious blow.

We are only one part of the Appropriations Committee. This deficiency subcommittee consists of five members and we are being asked to approve an item that is larger than the total sum that was submitted to the regular subcommittee, and which they have denied. I do not think your remedy lies in this committee.

REASON FOR SUBMITTING ESTIMATE AS SUPPLEMENTAL ITEM

Mr. DEMARAY. I wanted to try to make it clear to you why this was presented to your body here, because the Bureau of the Budget decided that this was an emergency situation, and instead of sending it up in the regular appropriation bill, which would not become available until July 1, they decided that they would send it up here as a supplemental estimate, because the work needs to be started immediately. If the funds are not granted and the opportunity to make these excavations and find out what archeological remains there are, and the knowledge that will come from that that will be added to our country, forever lost.

Mr. RABAUT. You say you have located some 200 places. In how many places have you started digging?

Mr. ROBERTS. We dug at nine places.

Mr. RABAUT. Did you find something at each of the nine?

Mr. ROBERTS. Yes, sir. And they were things that contributed very much to our knowledge of the Indian and the cultural development in North America, and added greatly to the general story of primitive man in this country.

Mr. RABAUT. We will pass to the next item.

GETTYSBURG NATIONAL CEMETERY, PA.

The next item is:

For the acquisition of approximately 5 acres of land in the Borough of Gettysburg, Adams County, Pa., as an addition to Gettysburg National Cemetery, in accordance with the provisions of the act of June 19, 1948 (Public Law 704), \$10,000, to remain available until expended.

Tell us why you need this.

Mr. DEMARAY. This is to enlarge the cemetery at Gettysburg.

Mr. RABAUT. You need 5 acres of land?

Mr. DEMARAY. Yes, sir. The present cemetery will be filled as a result of the Quartermaster General's burial of World War II veterans. There will be no place to bury, after July, the veterans who live in Gettysburg and who live in Pennsylvania.

Mr. RABAUT. Why is not this in the Army budget?

Mr. DEMARAY. Because the Gettysburg National Battlefield and the Gettysburg National Cemetery are under the jurisdiction of the National Park Service.

Mr. RABAUT. Are they the only ones?

Mr. DEMARAY. No. We have 10 national cemeteries which are a part of national battlefield areas.

Mr. RABAUT. This acreage which you propose to buy, is that in a highly developed section?

Mr. DEMARAY. It is not built upon at the present time. This area is owned by Mr. J. F. Little. We have had three appraisers who have made appraisals of this property and they range from \$8,620 to \$9,795.

Mr. RABAUT. This comes to about \$2,000 an acre.

Mr. DEMARAY. Yes, sir. I have a map of this property here, if you would like to look at it.

Mr. RABAUT. I note the Evergreen Cemetery here.

Mr. DEMARAY. That is the city cemetery adjacent to the Gettysburg National Cemetery, on the opposite side of the wall.

Mr. RABAUT. From this plan you have shown me, it seems to be a hodge-podge of pieces of land.

Mr. DEMARAY. It is the only way we could assemble the necessary land.

Mr. RABAUT. What would happen if we did not enlarge this cemetery? And according to the map you have shown me, that is not a very good piece of land, the way it is cut up.

Mr. DEMARAY. Of course, this was done, I think, by Senator Myers and the local people who have been pressing the matter—Senator Martin. We have a letter here written March 4.

Mr. RABAUT. That is all right, but the Federal Government is being asked to put up the money for it.

Mr. DEMARAY. Congress has authorized this.

Mr. RABAUT. Did Congress authorize the price of \$2,000 an acre? Have you an option on it?

Mr. DEMARAY. No, sir, we do not have an option on it, because we believe we are going to have to condemn the property.

Mr. RABAUT. Then you do not know what the price will be.

Mr. DEMARAY. We have had appraisals of the property and those witnesses will go into court.

Mr. RABAUT. Appraisals and condemnation awards, are two different things.

Mr. WHITTEN. If you went to trial in this case, and you had approved a request here of \$10,000 for 5 acres, that would be admissible in court and you certainly would not get the property for anything less than that.

Mr. DEMARAY. I understand that. We have had that experience. That is the amount that is authorized and the appraisals run from \$8,620 to \$9,795.

Mr. WHITTEN. If you got \$10,000, you would make it certain that they would get that much more than your appraisers said it was worth.

Mr. DEMARAY. We would have no objection to your putting in the amount of the highest appraisal.

Mr. RABAUT. I know you would not, but we might put it in at the amount of the lowest appraisal.

Mr. DEMARAY. If we go to condemnation, they may give an award over that amount and then we would have to come back for more money.