

FREE ENTRY OF TWO SPECTROMETERS FOR THE
UNIVERSITY OF ILLINOIS

SEPTEMBER 13, 1962.—Ordered to be printed

Mr. BYRD of Virginia, from the Committee on Finance, submitted
the following

R E P O R T

together with

SUPPLEMENTAL VIEWS

[To accompany H.R. 12529]

The Committee on Finance, to whom was referred the bill (H.R. 12529) to provide for the free entry of one nuclear magnetic resonance spectrometer and one mass spectrometer for the use of the University of Illinois, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

The purpose of H.R. 12529 is to permit the free importation of one nuclear magnetic resonance spectrometer and one mass spectrometer which are to be used by the University of Illinois.

GENERAL STATEMENT

The University of Illinois has ordered, from abroad, two pieces of scientific equipment which will be used in research and instructional endeavors to be performed in the department of chemistry and chemical engineering in the university.

The nuclear magnetic resonance spectrometer is a device which is used to determine the molecular structure of chemicals. The mass spectrometer is a device used by chemists and chemical engineers to provide chemical analyses, measurements, and other research features. It is reported that the University of Illinois attempted, without success, to purchase instruments of the desired specifications in the United

States. The funds for the purchase of the two pieces of equipment are from unrestricted grants made by the National Science Foundation and the National Institutes of Health. Both these agencies have approved the purchase of this equipment.

U.S. TARIFF COMMISSION,
OFFICE OF THE CHAIRMAN,
Washington, D.C., July 23, 1962.

HON. WILBUR D. MILLS,
Chairman, Committee on Ways and Means,
House of Representatives.

DEAR MR. CHAIRMAN: This is in response to your request of July 16, 1962 for a report on H.R. 12529 of the 87th Congress, a bill introduced by Representative O'Brien of Illinois, to provide for the free entry of one nuclear magnetic resonance spectrometer and one mass spectrometer for the use of the University of Illinois.

Spectrometers are specially provided for in paragraph 228(a) of the Tariff Act of 1930. The original rate therefor was 60 percent ad valorem; it is now 50 percent ad valorem pursuant to the General Agreement on Tariffs and Trade. The special tariff provisions according duty exemptions to specified imports by educational, religious, and other institutions do not include spectrometers.

The Tariff Commission has no information regarding the extent to which the two particular spectrometers differ from spectrometers manufactured in the United States nor does it have any other information which might bear on the merits of H.R. 12529.

Sincerely yours,

BEN DORFMAN, *Chairman.*

THE SECRETARY OF COMMERCE,
Washington, D.C., August 13, 1962.

HON. WILBUR D. MILLS,
Chairman, Committee on Ways and Means, House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in further reply to your request for the views of this Department with respect to H.R. 12529, a bill to provide for the free entry of one nuclear magnetic resonance spectrometer and one mass spectrometer for use of the University of Illinois.

If enacted, this bill would permit the duty-free entry of one nuclear magnetic resonance spectrometer and one mass spectrometer for use of the University of Illinois.

This Department is opposed to legislation which permits the duty-free entry of scientific instruments intended for use by educational or other nonprofit institutions, if such instruments are available from domestic manufacturers. Mass spectrometers are available from four domestic firms. Nuclear magnetic resonance spectrometers are available from four other companies in the United States. Both instruments are produced domestically by three manufacturers. Despite the general availability of both instruments from domestic sources, it is possible that U.S. firms do not always meet the performance specifications established for particular research needs.

According to information obtained by this Department, the University of Illinois submitted invitations to bid to all domestic manufacturers of these two instruments. In the case of both instruments the university authorities decided that the performance specifications had not been met and subsequently the university placed the purchase orders abroad.

One domestic firm's proposal on the mass spectrometer came close to meeting the performance specifications desired by the university. An additional 4 weeks were granted to permit the company's engineers time to ascertain whether it could design a model that would meet the performance specifications. The second proposal was received, and the university authorities decided that it would not meet the specifications. The mass spectrometer unit was then ordered from a firm in Germany.

Only one domestic producer offered a nuclear magnetic resonance spectrometer which approached the performance specifications set by the university for this instrument. Another American firm offered to supply a model made by its British subsidiary. The Department is advised that because of certain features of the British unit, the university decided to purchase the nuclear magnetic resonance spectrometer from the British subsidiary of the American firm.

Although this Department does not oppose relief for this institution, it wishes to point out that bills of this type do contain an element of discrimination by not affording other nonprofit institutions the opportunity to import such equipment free of duty. Such discrimination would be eliminated with the enactment of H.R. 12821, a bill to implement the multilateral Agreement on the Importation of Educational, Scientific, and Cultural Materials (commonly known as the Florence Agreement) to which the Senate has given its advice and consent to ratification.

We have been advised by the Bureau of the Budget that there would be no objection to the submission of this report from the standpoint of the administration's program.

Sincerely yours,

EDWARD GUDEMAN,
Under Secretary of Commerce.

DEPARTMENT OF STATE,
August, 8 1962.

HON. WILBUR D. MILLS,
*Chairman, Committee on Ways and Means,
House of Representatives.*

DEAR MR. CHAIRMAN: I refer to Mr. Irwin's request for the Department's comments on H.R. 12529, to provide for the free entry of one nuclear magnetic resonance spectrometer and one mass spectrometer for the use of the University of Illinois.

The Department has examined the proposed legislation and has no objection to its enactment from the standpoint of foreign economic policy.

The Bureau of the Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this report for the consideration of the committee.

Sincerely yours,

FREDERICK G. DUTTON,
Assistant Secretary
(For the Secretary of State).

TREASURY DEPARTMENT,
August 9, 1962.

HON. WILBUR D. MILLS,
Chairman, Committee on Ways and Means,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Reference is made to your request for the views of the Treasury Department on H.R. 12529, to provide for the free entry of one nuclear magnetic resonance spectrometer and one mass spectrometer for the use of the University of Illinois, introduced by Mr. O'Brien.

The proposed legislation would direct the Secretary of the Treasury to admit free of duty one nuclear magnetic resonance spectrometer and one mass spectrometer for the use of the University of Illinois.

Enactment of the proposed legislation would relieve this particular importer of duties imposed by the Congress upon other importers of the same class. In the Department's opinion, tariff legislation should provide equal treatment for importers similarly situated. The granting by the Congress of favor to a single importer, as H.R. 12529, would not accord with this principle. Accordingly, the Treasury Department cannot recommend enactment of the proposed legislation.

The Department has been advised by the Bureau of the Budget that there is no objection from the standpoint of the administration's program to the submission of this report to your committee.

Sincerely yours,

FRED B. SMITH,
Acting General Counsel.

SUPPLEMENTARY STATEMENT BY SENATOR PAUL H.
DOUGLAS ON H.R. 12529

Even though I am personally familiar with the contents of this bill and from my personal knowledge believe it to be in the public interest, it is nonetheless true that no hearings were held on it either in the House or in the Senate. It is impossible therefore for others to determine whether or not it is in the public interest.

I think this, on the whole, is poor procedure and that therefore this bill, too, would have benefited from a public hearing. A short hearing need not delay matters unduly.

We have drifted into loose procedures on a number of bills rushed through at the end of the session. Many of them have been going through Congress with little examination and this has sometimes had unfortunate results. As I have objected to this when the bills of others were affected, I must also do so when a bill affecting my State is before us.

I believe our Senate procedures should be revised to provide for a more thorough examination of their possible merits and demerits. In the meantime the Senate should, in my opinion, go slowly.

SUPPLEMENTARY STATEMENT BY SENATOR HARRY F.
BYRD, CHAIRMAN

The Senate Finance Committee, in formal meeting September 10, 1962, ordered to be reported 11 bills with recommendations that they be considered favorably by the Senate. This bill was among those ordered to be reported at that time.

As a member of the committee, the Senator from Illinois (Mr. Douglas) voted against committee approval of all of these bills except one. He voted affirmatively to report only H.R. 12529 which affected his State.

He voted against reporting all other bills before the committee on that date with the statement that he was voting in the negative because public hearings had not been held.

In his supplementary statements on these bills the Senator from Illinois creates the impression—intentional or not—that the Finance Committee is not giving proper and adequate attention to legislation reported to the Senate.

With respect to all of these bills he apparently tries to leave the inference that the committee has drifted into a loose procedure of rushing bills through at the end of the session which he claims produces unfortunate results.

On behalf of the majority of the Senate Finance Committee I want to make it clear to the Senate that, in the case of the bills ordered to be reported by the committee on September 10, 1962—

1. Each of the bills has been passed by the House of Representatives;
2. No request was made for Senate hearings on these bills, and this includes the bill for which the Senator from Illinois voted in the affirmative;
3. Each of the bills ordered to be reported, except H.R. 12529 in which the Senator from Illinois is interested, was formally approved by the executive agencies having jurisdiction over their administration;
4. The contents of each bill were fully outlined by members of the committee staff, and discussed by members of the committee; and
5. When the committee voted, members had full knowledge of the purpose and effects of the proposed legislation.

Momentous matters are referred to the Senate Committee on Finance, including legislation with respect to taxation, tariffs and customs, social security, veterans, etc., and the committee has always been meticulous in exploring the effects of all legislation it recommends.

The current tax bill—H.R. 10650—now in conference is a case in point. More than 200 witnesses were heard on this bill, and the legislation was under committee consideration more than 4 months.

The Senator from Virginia cannot recall that the Senate has rejected a bill recommended by the Senate Finance Committee. It suffices to

say that when the need for hearings is indicated, the committee will hold them.

The procedure followed by the committee in consideration of the agenda for the meeting of September 10 involved no departure from committee practice over the 30 years during which I have been a member.

The committee always holds hearings when they are necessary for the enlightenment of the membership, and the procedure of the past, so far as the chairman is concerned, will be continued in the future.

