January 11, 1956

PERSONAL AND CONFIDENTIAL

Dear Mr. Hughes:

The following notes on this morning's Legislative Conference may be of use to you:

Highway Program - It was agreed that in order to increase the chance of success of this program the Administration should yield to Democratic insistence on financing through new or additional taxes and should cooperate in the development of an appropriate tax proposal to finance construction without any resort to deficit financing or dependence on existing revenues.

Representative Halleck was uncertain that the tax bill would command the support of a majority of the opposition. Secretaries Humphrey and Weeks believed there would be no significant opposition by user groups.

It was suggested that the Chairman of the Senate Finance Committee be consulted as to the most desirable procedures for expediting completion of action on the bill.

Immigration Legislation - It was agreed that the Administration recommendation for changes in immigration legislation should be divided into four groups that would be submitted individually. Particular emphasis was placed on the need for legislation authorizing Administration action on individual immigration cases now handled through private bills.

Senator Watkins and Representative Jenkins foresaw considerable public opposition to the proposals. Senator Bridges believed they opened the situation pretty wide. Senator Watkins noted the extreme difficulty of securing any effective action in the Senate Judiciary Committee.

Senators Knowland and Bridges believed some elements of the bill
could be passed but that great difficulty would be experienced in regard to the quota proposal. Representative Keating believed it very desirable to adopt the 1950 census as the basis for quotas.

Executive Pay - It was noted that the Administration was concentrating its support on S. 2628 but would accept if necessary a compromise between the House and Senate bills, and that the Administration looks with disfavor on any attempt to correct alleged individual inequities until after this legislation has been passed.

Senate Report - In regard to the natural gas legislation, Senator Knowland indicated that voting would begin next Monday and would probably be concluded on Tuesday. He believed the bill would secure the support of a majority of both parties.

House Report - Speaker Martin noted that the school construction bill is currently in Committee and no prediction could be made as to when it would be reported.

Speaker Martin indicated that the first of the appropriation bills would be taken up next week with a view to acting on one each week and completing them prior to July first, which is currently the target for adjournment.

Speaker Martin also stressed the need for expressions of strong Administration support for the Upper Colorado River project. The White House staff will keep in touch with appropriate Members of the House in this regard.

Joint Committee on Foreign Intelligence - The President stressed his belief that Congressional interest in CIA matters could best be handled through existing Committees rather than the establishment of a new Joint Committee. Representative Arends indicated the opposition of a House Armed Services subcommittee to the creation of a Joint Committee.

It was agreed that every effort should be made both in the Senate and the House to avoid having this proposal adopted.
PERSONAL AND CONFIDENTIAL

District Home Rule - It was agreed that it would be desirable to amend the Case bill for District home rule to insure Executive authority in respect to the District police and other matters having a Federal impact by providing, for instance, for Presidential appointment of the Mayor subject to Senate confirmation.

Speaker Martin believed the Case bill could not win approval in the House.

Sincerely,

L. A. Minnich, Jr.
Assistant Staff Secretary

The Honorable Rowland R. Hughes
Director
Bureau of the Budget

Copies to:
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Mr. Martin
Mr. Harlow
Mr. Seaton
Dr. Hauge
Gov. Pyle
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Mr. Rabb