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Appendix A

**SUMMARY OF RECOMMENDATIONS IN  
THE ECONOMIC REPORT OF  
THE PRESIDENT**

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# Summary of Recommendations in the Economic Report of the President

Including Recommendations to the Congress and Suggestions to the States and Local Governments

## I. PROMOTING AGRICULTURAL READJUSTMENTS

- a) Inaugurate a two-part Soil Bank Program designed to improve farm income, reduce surpluses of farm products, and shift crop acreage to soil-conserving uses:
    - 1) An Acreage Reserve Program under which growers of wheat, cotton, corn, and rice will voluntarily reduce planted acreage below allotments in return for certificates convertible into cash or specified quantities of the commodities from Commodity Credit Corporation stocks; alternatively for corn and rice, end production controls and put price supports for these crops on a discretionary basis. [Pages 59-60.]
    - 2) A Conservation Reserve Program providing financial inducements to farmers to put cropland into soil-conserving uses. [Page 60.]
  - b) Implement the Great Plains Program to promote sounder land use in portions of ten Western States between the Corn Belt and the Rocky Mountains. [Page 60.]
  - c) Take other steps, such as to speed surplus disposal, broaden outlets for farm products, reduce farm production costs, improve farm credit facilities, and expand agricultural research. [Page 59.]
- See also Recommendation III (a).*

## II. HELPING LOCAL COMMUNITIES REDUCE UNEMPLOYMENT

- a) Establish an Area Assistance Program for aiding communities experiencing substantial and persistent unemployment, and make technical assistance more broadly available to aid urban and rural communities in developing balanced and progressive economies. [Pages 62-63.]
- b) Authorize the Housing and Home Finance Agency to give priority to applications for aid, in financing needed public facilities, from communities experiencing substantial and persistent unemployment. [Page 62.]
- c) Make benefits under the Urban Renewal Program available for industrial redevelopment of business sections in such communities. [Page 62.]

### III. LIFTING INCOMES BY RAISING PRODUCTIVITY

- a) Provide the requested Federal support for the Rural Development Program to help low-income farm families improve their earning power. [Pages 60, 66-67.]
- b) Expand State programs of vocational rehabilitation on the basis of available Federal financial assistance. (State responsibility) [Page 67.]
- c) Proceed, as far as is practical, to extend coverage of minimum wage. [Pages 67-68.]

### IV. IMPROVING THE ECONOMIC STATUS OF OLDER PERSONS

- a) Extend the coverage of Federal Old-Age and Survivors Insurance to self-employed groups and other workers not yet covered, including Federal personnel. [Page 69.]
  - b) Require Federal registration and reports by private pension and welfare funds. [Page 69.]
  - c) Give preference to older persons and their immediate families in admission to public housing projects. (Federal, State, and local responsibility) [Page 69.]
  - d) Authorize mortgage insurance on favorable terms for apartments built for occupancy in whole or in part by older persons, and permit third parties to guarantee monthly payments in behalf of older persons buying a home under a Federally insured mortgage. [Pages 69, 81.]
- See also Recommendation V (c).*

### V. COPING WITH PERSONAL HARDSHIPS

- a) Accelerate work on practical flood control projects. [Page 70.]
- b) Provide reinsurance for private carriers offering flood insurance, and authorize a joint Federal-State flood indemnity program. [Page 70.]
- c) Encourage private insurance organizations to extend health plans to cover catastrophic illness and to cover persons not reached by usual group enrollment methods. Permissive legislation for private pooling of risks or Federal reinsurance may be needed. [Pages 69, 70.]
- d) Strengthen workmen's compensation laws. (State responsibility) [Page 71.]
- e) Increase benefits available under the Longshoremen's and Harbor Workers' Compensation Act. [Page 71.]
- f) Provide nonoccupational temporary disability insurance for workers in the District of Columbia. Consider developing similar programs in the States. (Federal and State responsibility) [Page 71.]
- g) Liberalize terms of Federally underwritten mortgages on housing for persons displaced by urban renewal or other public projects. [Page 71.]

## VI. PRESERVING SOUND FEDERAL FINANCES

- a) Postpone scheduled reductions in excise and corporate income tax rates. [Page 76.]
- b) Enact legislation continuing a temporary increase in the statutory debt limit. [Page 76.]

## VII. FOSTERING COMPETITIVE ENTERPRISE

- a) Require advance notice to the antitrust agencies of proposed mergers by all firms of significant size engaging in interstate commerce. [Pages 78, 79.]
- b) Extend Federal regulation to all mergers of banking institutions, and require Federal approval of acquisitions of banks by holding companies. [Page 79.]
- c) Make explicit the application of the Clayton Act to business mergers in which either party is engaged in interstate commerce. [Page 79.]
- d) Make Federal Trade Commission cease-and-desist orders under the Clayton Act final, unless appealed to the Courts. [Page 79.]
- e) Empower the Attorney General to issue a civil investigative demand, compelling the production of documents before filing of complaint, without having to invoke grand jury proceedings. [Page 79.]
- f) Increase appropriation for antitrust law enforcement. [Page 78.]
- g) Re-examine regulations of the transportation industry. [Page 79.]

## VIII. EXTENDING HOME OWNERSHIP AND IMPROVING NEIGHBORHOODS

- a) Make Federal assistance to a community for public housing contingent on its adoption of a workable program of slum prevention and elimination. [Page 81.]
- b) Authorize 35,000 units of public housing in each of the next two years. [Page 81.]
- c) Increase the permissible size of, and extend from three to five years the maximum permissible maturity on, home repair and modernization loans insurable under the Federal Housing Administration. [Pages 81, 94.]
- d) Increase the Federal Housing Administration mortgage insurance authorization and put this on a more permanent basis. [Page 82.]

*See also* Recommendations IV (c)-(d), V (g), and XII (c).

## IX. ENLARGING PUBLIC ASSETS

- a) Authorize Federal matching grants and loans for public school construction over a five-year period. [Page 83.]
- b) Authorize Federal construction grants to medical and dental schools for teaching and research facilities. [Pages 83, 86.]
- c) Continue the Federal loan program for college housing in such manner as to attract the investment of private funds. [Page 83.]

- d) Extend the Hospital and Medical Facilities Survey and Construction Program for an additional two years, and provide Federal insurance of mortgage loans for the construction or improvement of private health facilities. [Page 83.]
- e) Enact a comprehensive and soundly financed program for modernizing the Interstate Highway System. [Pages 83, 84.]
- f) Authorize the construction of the Upper Colorado River project and other needed water resource developments. [Pages 84, 85.]
- g) Extend and strengthen the Water Pollution Control Act. [Page 85.]
- h) Review State and local debt limits that currently restrict borrowing for necessary public works. (State and local responsibility) [Page 85.]
- i) Allow regulated investment companies which hold the bulk of their assets in State and local securities to pass through to their shareholders the tax-exempt status of income received on such securities. [Page 85.]

#### X. IMPROVING SKILLS AND TECHNOLOGY

- a) Take all practicable steps to attract suitably trained persons to the teaching profession. (State and local responsibility) [Page 86.]
- b) Enlarge the appropriation for the experimental program of the National Science Foundation for supplementary training of teachers of science, mathematics, and engineering. [Page 86.]
- c) Strengthen existing Federal programs to encourage higher education. [Page 86.]

*See also Recommendations III (a)–(b).*

#### XI. PROMOTING THE INTERNATIONAL FLOW OF GOODS AND CAPITAL

- a) Authorize membership of the United States in the Organization for Trade Cooperation. [Page 90.]
- b) Enact legislation to simplify the present system of customs valuation. [Page 90.]
- c) Enact legislation to stimulate foreign investment by modifications of the taxation of corporate income from foreign sources. [Pages 90, 91.]
- d) Extend the lending authority of the Export-Import Bank beyond June 30, 1958. [Page 91.]

#### XII. INCREASING THE STABILITY OF OUR EXPANDING ECONOMY

- a) Strengthen provisions for unemployment insurance. (State responsibility) [Page 93.]
- b) Study the problem of restoring the Government's power to regulate the terms of consumer instalment credit. [Pages 93, 94.]
- c) Authorize the Federal National Mortgage Association to vary within wider limits its stock purchase requirement. [Page 94.]
- d) Consider establishment of a Federal program of credit union share-account insurance. [Page 95.]

*See also Recommendation VIII (c).*