

TAX EXEMPT FOUNDATIONS: THEIR IMPACT ON SMALL BUSINESS

TUESDAY, OCTOBER 31, 1967

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE No. 1 OF THE
SELECT COMMITTEE ON SMALL BUSINESS,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10:05 a.m., in room 2359 Rayburn House Office Building, Hon. Wright Patman (chairman of the subcommittee) presiding.

Present: Representatives Patman, Corman, Irwin, Moore, Conte, and Morton.

Also present: H. A. Olsher, director, Foundations Study; Myrtle Ruth Foutch, clerk; and John J. Williams, minority counsel.

Mr. PATMAN. The committee will please come to order.

Mr. Hayes, on October 30, 1967, Mr. Herman E. Kimsey, president, Forensic Science Institute, Washington, D.C. gave us a signed statement to supplement his letter to us of October 24, 1967, which reads as follows:

On July 12, 1967, I received a check from Americans Buildings Constitutionally in the sum of \$10,500 with their stipulation that it be applied for membership of Forensic Science Institute in Americans Building Constitutionally. This check was endorsed by myself and returned to their records and entered in Forensic Science Institute's records with the copy of the membership application. This sum does not appear in financial statements elsewhere in Forensic Science Institute's records as it was never entered as a deposit in the Foundation's books.

How do you explain that, Mr. Hayes?

TESTIMONY OF ROBERT D. HAYES, TRUSTEE OF THE AMERICANS BUILDING CONSTITUTIONALLY, A NOT-FOR-PROFIT TRUST, ACCOMPANIED BY K. P. CHARTIER, COUNSEL TO MR. HAYES; WILLIAM C. RAY, JR., COUNSEL TO MR. HAYES; AND ROBERT A. ERIE, ADMINISTRATIVE ASSISTANT TO MR. HAYES, Resumed

Mr. RAY. Is there going to be a quorum of the committee or one member?

Mr. PATMAN. Listen, you are not running the committee, you know. You are a lawyer and you have a right to represent your client and I will respect you as such and make sure that you are given every right within my knowledge. But now, this other is committee business, you know, and that is—

Mr. RAY. May I have it entered in the record that there is not a quorum present?