is an open ended quota, depending how many ships can be used, and how many trucks can be unloaded.

Secretary UDALL. No, there is a limit on that; 30,000 barrels a day, as I recall.

What they were bringing in in 1958 has remained the same. It is not open ended, not at Brownsville.

Mr. BYRNES. But they come in under a proposition that has no limitation on it.

Secretary UDALL. As a practical matter, they understand it is 30,000 barrels a day, and that is all.

Mr. BYRNES. Excuse me, Mr. Secretary. This is not a grievance I have with you. It is whoever is Secretary of Interior.

Some individual simply makes a decision that Mr. X can have this kind of windfall, and he enters into an understanding with them: "Don't bring in more than 30,000 barrels, otherwise, it is going to look bad."

I don't think that is the way to run a country, or a railroad.

Secretary UDALL. When the program was put into effect, and they were importing 30,000 barrels a day, and are continuing to do it today, nothing was given to them—it was simply recognized that they could continue to do what they were doing.

That is where the vice of the thing began. It is the only one of its kind, too, may I say.

Mr. BYRNES. You have given it to people who have never been in the business. People have more than they were bringing in, people who were not bringing in any.

Secretary UDALL. We have tried to have quotas for newcomers, for new refineries, for example, so that we just don't freeze in all the big companies, or all the old companies, so that there is a growth factor in it, and we tried to make the program responsive so that the small refineries get more.

This is a sort of small business bias we have built in. We have built in a bias for newcomers, too; not a bias, but we let them into the program, so we simply are not freezing it with an existing group of companies that get the quota tickets, and that is all.

Mr. BYRNES. I know it is being passed out as others come along, and they get a quota.

Is there a formula for who gets what, when, and how much, or is this an administrative determination?

Secretary UDALL. An administrative determination.

Mr. BYRNES. With a valuation of approximately a dollar and a quarter a barrel.

Secretary UDALL. It has that value. That is correct.

It is like, if I might point out, if we were to decide this year, and put into effect next year, as we are studying seriously now, a program to sell part of the quota tickets, I think it is reasonable to assume that all or part of that would be passed on to the consumer, because of the essential economics.

Mr. BYRNES. The essential economics? The essential economics is the overall supply. Here is a limited additional amount that comes in, which has a valuation, because it automatically moves up into the normal market.

I assume that is the difference between the dollar and a quarter that comes in. So how does the consumer get that?