In order to make clear that the provision amending the Espionage Act would apply to all vessels in the United States ports regardless of flag it is recommended that the "to such vessels", at line 23, page 23, of H.R. 15626 be changed to read "to vessels, foreign and domestic,".

read to vessels, loreign and domestic,". Subject to the foregoing comments, the Department of Transportation would

have no objection to the enactment of H.R. 15626.

The Bureau of the Budget advises that from the standpoint of the Administration's program, there is no objection to the submission of this report for consideration of the Committee.

Sincerely yours,

/s/ John L. Sweeney John L. Sweeney, Assistant Secretary for Public Affairs.

Mr. Culver. I have no questions, Mr. Chairman.

Mr. Tuck. We thank you very much indeed and we do have appreciation of your cooperation in supporting this proposal.

Mr. Green. Thank you, Mr. Chairman.

Mr. Tuck. Our next witness is Mr. Stanley J. Tracy.

We are delighted to have you appear before our committee.

Mr. Tracy is the former Assistant Director of the Federal Bureau of Investigation. He is an outstanding American.

STATEMENT OF STANLEY J. TRACY, FORMER ASSISTANT DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION

Mr. Tracx. Thank you, sir. I have a prepared statement, Mr. Chairman, and I want to thank you for this opportunity to appear before your committee to discuss the provisions of H.R. 15626, a bill to amend the Subversive Activities Control Act of 1950 and to authorize the Federal Government to deny employment in defense facilities to certain individuals and to protect classified information released to United States industry.

I was for 20 years at the headquarters of the FBI, retiring as an

assistant director in 1954.

I was associate counsel of the Commission on Government Security which studied the Coast Guard program. The Commission made recommendations in 1957 that there be a legislative basis for a Coast Guard program which is one of the provisions of this bill.

I would like to comment on the bill itself.

The proposed amendment of section 5(b) is particularly important and pertinent to a sound security program. Authorizing and directing the Secretary of Defense to designate defense facilities in the manner provided, yet permitting both management and labor to voice opposition to such disignation if either wishes to do so, is very sound procedure.

Management, labor, and Government should be full partners in

every defense facility operation.

With reference to the wording of the bill, I suggest that subsection 5(b)(6) be amended by inserting the words "or indirectly" in line 15 on page 3 so that it will read: "* * * or other act of subversion would directly, or indirectly, impair the military effectiveness of the United States * * *."

In making this suggestion I have in mind that there could be instances where direct impairment might not be subject of proof beyond a reasonable doubt.