

The proposed amendment to section 116, chapter 10, of the Bankruptcy Act would accord a status to water carriers similar in concept to that available to railroads and airlines. It represents an effort to permit water carriers to attract better financing at lower interest rates by affording creditors a preferred status as to particular equipment. We would also support this aspect of the bill.

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 the consideration of the Committee.

Sincerely yours,

JOHN L. SWEENEY,  
*Assistant Secretary for Public Affairs.*

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INTERSTATE COMMERCE COMMISSION,  
*Washington, D.C., April 18, 1967.*

HON. HARLEY O. STAGGERS,  
*Chairman, Committee on Interstate and Foreign Commerce,*  
*House of Representatives,*  
*Washington, D.C.*

DEAR CHAIRMAN STAGGERS: This responds to your letter of March 17, 1967, requesting a report on H.R. 7151, a bill to amend part III of the Interstate Commerce Act to provide for the recording of trust agreements and other evidences of equipment indebtedness of water carriers, and for other purposes introduced by Congressman Cabell. This matter has been referred to our Committee on Legislation and I am authorized to submit the following comments on its behalf.

In general, we support the objectives of this amendment to part II of the Interstate Commerce Act. We believe that enactment of the proposed legislation would greatly assist the inland and coastwise water carrier industry in the modernization of its floating equipment and would place such water carriers on a par with both railroads and airlines in attracting capital for fleet improvements. Moreover, the amendment would prove of benefit to both large and small water carriers since it should reduce the cost of financing the purchasing of new floating equipment.

In addition, enactment of this legislation would be beneficial to the public since it would be necessary to check only the Commission's records to determine whether water carrier equipment is subject to a lien. Since the Commission is now processing similar evidences of indebtedness for the railroads, there would be no difficulty in carrying out the same function for the water carriers. With some minor modifications, the Commission's existing regulations applicable to railroad recordings could be made applicable to the carriers covered by this bill.

For these reasons, we support the enactment of H.R. 7151.

Sincerely yours,

WILLIAM H. TUCKER,  
*Chairman, Committee on Legislation.*  
PAUL J. TIERNEY.  
LAURENCE K. WALRATH.

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EXECUTIVE OFFICE OF THE PRESIDENT,  
BUREAU OF THE BUDGET,  
*Washington, D.C., September 18, 1968.*

HON. HARLEY O. STAGGERS,  
*Chairman, Committee on Interstate and Foreign Commerce,*  
*House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in reply to your request for the views of the Bureau on S. 913, an act "To amend part III of the Interstate Commerce Act to provide for the recording of trust agreements and other evidence of equipment indebtedness of water carriers, and for other purposes."

This act provides a method for recording at the Interstate Commerce Commission various financial papers of indebtedness of water carriers.

The Bureau of the Budget has no objection to enactment of S. 913.

Sincerely yours,

WILFRED H. ROMMEL,  
*Assistant Director for Legislative Reference.*