

ernment has the responsibility and opportunity to use its economic tools to move the economy in the way which serves the social and economic interests of the country.

Mr. BURTON. Have you had an opportunity to read the identical bills that have been introduced by the chairman of this committee, Mr. Morton, Mr. Corman, Mr. Patman, Mr. Horton, Mr. Steed, and myself regarding tax incentives?

Mr. SAMUELS. I am not sure that I have in detail—

The CHAIRMAN. We want you to look at it a little more carefully instead of just glancing through.

Mr. SAMUELS. Thank you. I got that message, Mr. Chairman.

Mr. BURTON. I would appreciate it if your staff would analyze these eight bills, and give us in writing your opinion and analysis of them.

(See p. 299 infra for letter from Mr. Samuels to Chairman Evins.)

Mr. BURTON. I would like to say that in the future, if you have any comments to make—and I am sure I speak for members on both sides of the Chair—I would like you to make them before this committee and not before a platform committee.

Mr. SAMUELS. First of all, I appreciate the opportunity of appearing before this committee that has given us the kind of tools that make it possible for me to execute my job. And I would be glad to communicate with the committee any time you will allow me in the future.

Mr. BURTON. That is all.

The CHAIRMAN. Mr. Broyhill.

Mr. BROYHILL. I do share the concern of Mr. Burton, that we do not change the SBA program that has been operating in the rural area.

Mr. SAMUELS. Particularly good in your State.

Mr. BROYHILL. The 502 program, particularly, in our State has been fabulous. I think the last time I checked it had created some 8,000 or 9,000 jobs. This has prevented migration of families to the cities and has alleviated an already troubled situation.

Do you favor the retention of SBA as an independent agency, or do you personally feel that it should be a part of the Department of Commerce, as has been advocated by many?

Mr. SAMUELS. It seems to me that I favor, certainly under the present organization of the Government—and I don't negate the possibilities as we discussed earlier of some restructuring of economic planning and programing later—but certainly today this agency can only be effective as a separate agency with the tools that you have given us. I would not look with favor to encouraging its involvement in any other agency in the Federal Government.

Part of my effectiveness in being able to execute my responsibility is the fact that we are an independent agency and we have the kind of support in Congress that we have today.

Mr. BROYHILL. Thank you.

The CHAIRMAN. Mr. Administrator, we want you to look with a little more favor on this tax incentive proposal. You talk about the banks' participation because of the incentives that are generated with the little risk they take. Why not interest industry in little towns and rural areas because of tax incentives? This is not available to them. When you have a tax incentive you have an incentive. When you get a grant you lose some incentive. It becomes welfare.

Any further questions, gentlemen?