

SENATE.

MONDAY, March 2, 1908.

Prayer by the Chaplain, Rev. EDWARD E. HALE.

The Secretary proceeded to read the Journal of the proceedings of Friday last, when, on request of Mr. McCREARY, and by unanimous consent, the further reading was dispensed with.

The VICE-PRESIDENT. The Journal stands approved.

STATUE OF COUNT DE ROCHAMBEAU.

The VICE-PRESIDENT laid before the Senate a communication from the Secretary of State, transmitting a letter from the French ambassador expressing his appreciation of the presentation to him of 500 copies of the proceedings attending the unveiling in Washington, D. C., of the statue of Count de Rochambeau, which, with the accompanying paper, was referred to the Committee on Foreign Relations and ordered to be printed.

FINDINGS OF THE COURT OF CLAIMS.

The VICE-PRESIDENT laid before the Senate communications from the assistant clerk of the Court of Claims transmitting certified copies of the findings of fact found by the court in the following causes:

In the cause of the Trustees of the Cumberland Presbyterian Church of Larkinsville, Ala., *v.* United States;

In the cause of the Trustees of McDaniel's Chapel, Methodist Episcopal Church South, of Shellmound, Tenn., *v.* United States;

In the cause of the County of Phelps, State of Missouri, *v.* United States;

In the cause of Leroy P. Walker, sole heir at law of Eliza D. Walker, and L. P. Walker, her husband, *v.* United States;

In the cause of the Christian Church, near Old Austin, Lonoke County, Ark., *v.* United States; and

In the cause of the Trustees of the Methodist Episcopal Church South, of Unison, Va., *v.* United States.

The foregoing findings were, with the accompanying papers, referred to the Committee on Claims and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. W. J. BROWNING, its Chief Clerk, announced that the House had passed the bill (S. 3941) to amend section 4 of an act entitled "An act to prevent unlawful occupancy of the public lands," approved February 25, 1885.

The message also announced that the House had passed the concurrent resolution authorizing the Department of State to invite the governments of other countries, through their ministers, to send representatives to the International Congress on Tuberculosis to be held in Washington, D. C., September 21 to October 12, 1908, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 11560. An act relating to unpaid Hawaiian Postal Savings Bank deposits;

H. R. 14043. An act to provide for the extension of time within which homestead entrymen may establish their residence upon certain lands within the limits of the Huntley irrigation project, in the county of Yellowstone, in the State of Montana;

H. R. 17288. An act making appropriations for the support of the Army for the fiscal year ending June 30, 1909;

H. R. 17422. An act to authorize the counties of Henry and Rock Island, in the State of Illinois, to construct a bridge across Rock River at or near Colona Ferry, in said State; and

H. R. 17703. An act to repeal section 4885 of the Revised Statutes and to substitute another section therefor.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills and joint resolutions, and they were thereupon signed by the Vice-President:

H. R. 16051. An act to authorize the Cahaba Power Company, a corporation organized under the laws of the State of Alabama, to construct a dam across the Cahaba River, in said State, at or near Centerville, Ala.;

H. R. 16955. An act to extend the time for building a bridge across Red River at Shreveport, La.; and

H. R. 17227. An act to authorize the city of St. Joseph, Mich., to construct a bridge across the St. Joseph River at or near its mouth.

H. J. Res. 102. Joint resolution authorizing the Secretary of War to furnish three condemned cannon to the mayor of the city of Detroit, Mich., to be placed on the base of the statue of the late Maj. Gen. Alexander Macomb, United States Army; and

H. J. Res. 120. Joint resolution authorizing the Secretary of

War to apply the unexpended balance of the donation made by the citizens of Dallas, Tex., under the provisions of the river and harbor act of March 3, 1905, to work in construction of Lock and Dam No. 2 in section 1 of Trinity River.

PETITIONS AND MEMORIALS.

Mr. McLAURIN presented a joint resolution of the legislature of Mississippi, which was referred to the Committee on Claims and ordered to be printed in the RECORD, as follows:

A joint resolution memorializing Members of Congress to pass a law appropriating cotton-tax fund now in the United States Treasury to pension ex-Confederate soldiers and their widows and orphans.

Whereas there has remained in the United States Treasury for a number of years a sum approximating \$60,000,000 illegally collected as a tax on cotton produced and marketed in Southern States during the years 1865, 1866, and 1867 and 1868; and

Whereas after the passage of so many years it becomes impossible to secure the return of this tax in an equalized manner to the greater number of those who paid this illegal tax; and

Whereas recognizing it is the wish and desire of the people of the Southern cotton-growing States who paid this tax and their descendants that this fund now held by the United States Treasury be paid out for the pensioning of old ex-Confederate soldiers, their widows, and orphans, understandingly, by this method would, in a practical way, reach the class of people who bore this injustice; Therefore be it

Resolved by the senate (the house of representatives concurring). That the Congress of the United States is hereby respectfully memorialized and urged to pass a law authorizing and instructing the Treasurer of the United States to pay over this cotton-tax fund to the treasurers of the different Southern cotton-growing States in the proportion as each State contributed and paid this tax that constitutes this fund for the purpose of distributing the same as pensions to the old Confederate soldiers as the legislatures of the different States may deem proper: Be it further

Resolved, That the Members of Congress from Mississippi are earnestly requested to take such steps as will aid in accomplishing this end.

Mr. BRIGGS presented a petition of the New Jersey State Funeral Directors' Association, praying for the enactment of legislation providing for the discontinuance of the custom of burials at sea, which was referred to the Committee on Public Health and National Quarantine.

He also presented a memorial of the Surgery Publishing Company, of New York City, N. Y., remonstrating against the passage of the bill (S. 1518) to amend section 3893 of the Revised Statutes, which was referred to the Committee on Post-Offices and Post-Roads.

He also presented a petition of the Baptist Ministers' Conference, of Trenton, N. J., praying for the enactment of legislation to regulate the interstate transportation of intoxicating liquors in prohibition districts, which was referred to the Committee on the Judiciary.

He also presented the petition of Dr. Henry N. Dodge, of Morristown, N. J., praying for the enactment of legislation to establish a national forest reserve in the southern Appalachians and White Mountains, which was referred to the Committee on Forest Reservations and the Protection of Game.

He also presented a petition of Local Grange No. 170, Patrons of Husbandry, of Lawrenceville, N. J., praying for the passage of the so-called "parcels-post bill," and also for the establishment of postal savings banks, which was referred to the Committee on Post-Offices and Post-Roads.

Mr. BROWN presented a memorial of sundry citizens of Axtell, Nebr., remonstrating against the passage of the so-called "parcels-post bill," which was referred to the Committee on Post-Offices and Post-Roads.

He also presented a petition of the Lancaster County Woman's Christian Temperance Union, of Lincoln, Nebr., praying for the adoption of an amendment to the Constitution to prohibit the disfranchisement of citizens of the United States on account of sex, which was referred to the Select Committee on Woman Suffrage.

Mr. GALLINGER presented a petition of sundry citizens of Portsmouth, N. H., praying for the enactment of legislation providing for the construction of at least one of the proposed new battle ships at one of the Government navy-yards, which was referred to the Committee on Naval Affairs.

He also presented a petition of sundry residents on Sixteenth street, in Washington, D. C., praying for the enactment of legislation to change the name of Sixteenth street to Presidents' avenue, which was referred to the Committee on the District of Columbia.

He also presented petitions of the Woman's Christian Temperance Union of Winchester, N. H., of sundry citizens of Mount Holly, N. J., and Washington, D. C., praying for the enactment of legislation to prohibit the manufacture and sale of intoxicating liquors, which were referred to the Committee on the District of Columbia.

Mr. TAYLOR presented a memorial of the Druggists' Association of Bedford County, Tenn., remonstrating against the passage of the so-called "parcels-post bill," which was referred to the Committee on Post-Offices and Post-Roads.

He also presented a petition of Local Union No. 19, Mailers' Union, of Memphis, Tenn., praying for the repeal of the duty

on white paper, wood pulp, and the materials used in the manufacture thereof, which was referred to the Committee on Finance.

Mr. SCOTT presented a petition of the West Virginia State Federation of Labor praying for the adoption of a certain amendment to the so-called "Sherman antitrust law," which was referred to the Committee on the Judiciary.

He also presented petitions of Green Valley Lodge, No. 223, Brotherhood of Locomotive Firemen and Engineers; of Ohio Valley Lodge, No. 13, Brotherhood of Railroad Trainmen; and of Hinton Lodge, No. 256, Brotherhood of Locomotive Firemen and Enginemen, of Hinton, all in the State of West Virginia, praying for the passage of the so-called "employers' liability bill," which were referred to the Committee on the Judiciary.

Mr. GAMBLE presented a memorial of sundry citizens of Alcester, S. Dak., remonstrating against the enactment of legislation to amend section 549 of the postal laws of the United States relating to post-offices and post-roads, which was referred to the Committee on Post-Offices and Post-Roads.

Mr. LONG presented memorials of sundry citizens of Burns, Utica, Norton, Jennings, Dodge City, Hutchinson, Lawrence, Salina, Abilene, Benedict, Robinson, White City, Lamont, Palco, Hartford, Whitecloud, Anthony, and Elgin, all in the State of Kansas, remonstrating against the passage of the so-called "parcels-post bill," which were referred to the Committee on Post-Offices and Post-Roads.

He also presented petitions of sundry citizens and organizations of Bazine, Fort Scott, Gardner, Gridley, Larned, Little River, Newton, Nickerson, Nortonville, Phillipsburg, and Williamsburg, all in the State of Kansas, praying for the enactment of legislation to prohibit the manufacture and sale of intoxicating liquors in the District of Columbia, which were referred to the Committee on the District of Columbia.

He also presented a petition of the Mercantile Club of Kansas City, Kans., praying for the enactment of legislation to improve the present financial system, and also for the guaranty of national-bank deposits, which was referred to the Committee on Finance.

He also presented a petition of the legislative committee of the State Society of Labor and Industry, of Pittsburg, Kans., praying for the passage of the so-called "La Follette-Sterling employers' liability bill," and also for the passage of the so-called "Rodenberg anti-injunction bill," which was referred to the Committee on the Judiciary.

Mr. BRANDEGEE presented a memorial of the American Association of Masters, Mates, and Pilots, of New London Conn., remonstrating against the enactment of legislation to remove discriminations against American sailing vessels in the coasting trade, which was referred to the Committee on Commerce.

He also presented a memorial of sundry citizens of Rocky Hill, Conn., and the memorial of J. F. Donovan, of New Haven, Conn., remonstrating against the passage of the so-called "Crumpacker census bill" providing for the employment of additional clerks for taking the Thirteenth and subsequent censuses, which were referred to the Committee on the Census.

Mr. BURKETT presented a petition of the postmasters of Valley, Arlington, and Benson, in the State of Nebraska, praying that an appropriation of \$2,000,000 be made for clerk hire for third-class post-offices, which was referred to the Committee on Post-Offices and Post-Roads.

He also presented a memorial of sundry citizens of Axtell, Nebr., remonstrating against the passage of the so-called "parcels post bill," which was referred to the Committee on Post-Offices and Post-Roads.

Mr. ALDRICH presented a petition of the masters and pilots of steam vessels navigating on Block Island Sound praying that an appropriation be made for a light-house at the Harbor of Refuge at Point Judith, Rhode Island, which was referred to the Committee on Commerce.

Mr. HOPKINS presented a petition of sundry citizens of Chicago, Ill., praying for the enactment of legislation providing for the construction of at least two of the proposed new battle ships at the Government navy-yards, which was referred to the Committee on Naval Affairs.

He also presented a petition of Northwestern Lodge, No. 424, Brotherhood of Railroad Trainmen, of Chicago, Ill., praying for the passage of the so-called "anti-injunction bill," which was referred to the Committee on the Judiciary.

He also presented a memorial of Northwestern Lodge, No. 424, Brotherhood of Railroad Trainmen, of Chicago, Ill., remonstrating against the passage of the so-called "Knox employers' liability bill," which was referred to the Committee on the Judiciary.

Mr. CLAPP presented a petition of Local Union No. 6, International Photo-Engravers' Union of North America, of Minneapolis, Minn., praying for the repeal of the duty on white

paper, wood pulp, and the materials used in the manufacture thereof, which was referred to the Committee on Finance.

He also presented a petition of the Osage Indian Council of Pawhuska, Okla., praying for the enactment of legislation providing for the holding of two terms of the Federal courts for the western district of Oklahoma at that city, which was referred to the Committee on the Judiciary.

Mr. WETMORE presented a petition of the town council of Narragansett, R. I., praying for the enactment of legislation to promote the efficiency of the Life-Saving Service, which was referred to the Committee on Commerce.

He also presented a memorial of the Rhode Island Radical Peace Society, of Providence, R. I., remonstrating against any appropriation being made for the construction of new battle ships, which was referred to the Committee on Naval Affairs.

He also presented a petition of the Woman's Christian Temperance Union of Providence, R. I., praying for the adoption of an amendment to the Constitution providing for the disfranchisement of citizens of the United States on account of sex, which was referred to the Select Committee on Woman Suffrage.

He also presented a petition of the Woman's Christian Temperance Union of Providence, R. I., praying for the enactment of legislation to prohibit the manufacture and sale of intoxicating liquors in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. TALIAFERRO presented a petition of sundry citizens of Lakeland, Fla., praying for the passage of the so-called "La Follette employers' liability bill," which was referred to the Committee on the Judiciary.

Mr. BROWN. For the senior Senator from Wisconsin [Mr. LA FOLLETTE] I present a petition of sundry citizens of Louisiana relative to the condition of the telegraph companies of the country. The petition is signed by a large number of citizens, and I ask that it be referred to the Committee on Education and Labor and printed in the Record, omitting the names.

The VICE-PRESIDENT. Without objection the petition will be referred to the Committee on Education and Labor and printed in the Record, omitting the names.

The petition is as follows:

To the Members of the Senate and House of Representatives in Congress assembled:

We, the undersigned, respectfully petition Congress as follows:

1. To enact legislation placing the telegraph systems of the United States under the provisions of an act whereby in any controversy threatening to interfere with or interrupt the telegraph service the Federal Government shall cause an investigation to be made on request of either party to the controversy. President Roosevelt said on this subject in his message to Congress, "the need for some provision for such investigation was forcibly illustrated during the past summer. A strike of telegraph operators seriously interfered with telegraph communication, causing great damage to business interests and serious inconvenience to the general public," etc.
2. To enact legislation compelling telegraph companies to show plainly and accurately on each telegram delivered by them the time such telegram was filed for transmission at the place from whence it came and the time such telegram was received at the office from which it was delivered. (House of Representatives bills Nos. 15123 and 15267 and Senate bill No. 4395.)
3. To enact legislation designed to prevent mailing of telegrams by telegraph companies which are accepted for telegraphic transmission. Telegrams were mailed in every State in the Union during the recent telegraphers' strike, and the evidence is on file at Washington. (House of Representatives bill 15929.)
4. To cause general investigation of the telegraph companies, especially as to justifiability of their joint increase in telegraphic rates to the public of 20 per cent to 60 per cent, the reduction of 10 per cent in salaries of employees, and the conduction of their business during the telegraphers' strike. (House joint resolution No. 126.)

REPORT OF COMMITTEE.

Mr. BURROWS, from the Committee on Naval Affairs, to whom was referred the bill (S. 5473) to authorize the Secretary of the Navy in certain cases to mitigate or remit the loss of rights of citizenship imposed by law upon deserters from the naval service, reported it without amendment and submitted a report thereon.

MONONGAHELA RIVER BRIDGE.

Mr. PILES. From the Committee on Commerce I report back without amendment the bill (H. R. 17220) to amend an act entitled "An act to authorize the Fayette Bridge Company to construct a bridge over the Monongahela River, Pennsylvania, from a point in the borough of Brownsville, Fayette County, to a point in the borough of West Brownsville, Washington County," approved April 23, 1906. I call the attention of the Senator from Pennsylvania [Mr. Knox] to the report.

Mr. KNOX. I ask unanimous consent for the present consideration of the bill.

The Secretary read the bill, and there being no objection the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. KNOX. I move that the bill (S. 5367) to amend an act entitled "An act to authorize the Fayette Bridge Company to construct a bridge over the Monongahela River, Pennsylvania, from a point in the borough of Brownsville, Fayette County, to a point in the borough of West Brownsville, Washington County," approved April 23, 1906, be indefinitely postponed.

The motion was agreed to.

TOMB OF JOHN PAUL JONES.

Mr. McENERY. I am directed by the Committee on Naval Affairs, to whom was referred the bill (S. 5434) to provide for finishing the crypt of the chapel, United States Naval Academy, Annapolis, Md., as a permanent resting place for the body of John Paul Jones, to report it favorably without amendment, and I submit a report thereon. I ask for the present consideration of the bill.

The Secretary read the bill, and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

COURTS IN ALABAMA.

Mr. CULBERSON. I am directed by the Committee on the Judiciary, to whom was referred the bill (H. R. 17524) to provide for circuit and district courts of the United States at Dothan, Ala., to report it favorably without amendment.

Mr. JOHNSTON. I ask unanimous consent that the bill be now considered. It is purely a local measure.

The Secretary read the bill, and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS INTRODUCED.

Mr. McLAURIN introduced a bill (S. 5829) for the relief of Emily Donnelly, which was read twice by its title and referred to the Committee on Claims.

Mr. SCOTT introduced a bill (S. 5830) granting an increase of pension to Jacob Watson, which was read twice by its title and, with accompanying papers, referred to the Committee on Pensions.

Mr. TAYLOR introduced a bill (S. 5831) for the relief of Marion B. Patterson, which was read twice by its title and, with the accompanying papers, referred to the Committee on Claims.

Mr. BANKHEAD introduced a bill (S. 5832) for the relief of the late firm of Martin, Weakley & Co., which was read twice by its title and, with the accompanying papers, referred to the Committee on Claims.

Mr. KEAN introduced the following bills, which were severally read twice by their titles and referred to the Committee on Public Buildings and Grounds:

A bill (S. 5833) for the purchase of a site and the erection of a public building thereon in the city of Plainfield, N. J.; and

A bill (S. 5834) to provide for the enlargement of the post-office building at Hoboken, N. J.

Mr. TILLMAN (by request) introduced a bill (S. 5835) for the relief of the estate of Robert Kirkley, deceased, which was read twice by its title and referred to the Committee on Claims.

Mr. BURROWS introduced a bill (S. 5836) for the relief of Olive P. Tibbitts, which was read twice by its title and, with the accompanying papers, referred to the Committee on Claims.

Mr. KNOX introduced a bill (S. 5837) for the refunding of money illegally collected by the United States Treasury Department as excise taxes from the Fort Pitt Gas Company, Pittsburg, Pa., which was read twice by its title and referred to the Committee on Finance.

Mr. HOPKINS introduced a bill (S. 5838) granting an increase of pension to Mattie J. Stark, which was read twice by its title and, with the accompanying papers, referred to the Committee on Pensions.

Mr. TELLER introduced a bill (S. 5839) for the relief of George W. Wickes, which was read twice by its title and referred to the Committee on Indian Affairs.

Mr. CLAY introduced a bill (S. 5840) to provide for the extension, improvement, and enlargement of the post-office and court-house building at Augusta, Ga., which was read twice by its title and referred to the Committee on Public Buildings and Grounds.

He also introduced the following bills, which were severally read twice by their titles and referred to the Committee on Claims:

A bill (S. 5841) for the relief of the estate of George Patten, deceased; and

A bill (S. 5842) for the relief of the heirs of George Winfrey, deceased.

Mr. ANKENY introduced a bill (S. 5843) granting an increase of pension to Edward Cornwell, which was read twice by its title and referred to the Committee on Pensions.

Mr. SMITH introduced a bill (S. 5844) granting an honorable discharge to Henry S. Hunter, which was read twice by its title and referred to the Committee on Military Affairs.

Mr. du PONT introduced a bill (S. 5845) granting a pension to John C. Ripperger, which was read twice by its title and, with the accompanying papers, referred to the Committee on Pensions.

Mr. BURKETT introduced the following bills, which were severally read twice by their titles and referred to the Committee on Pensions:

A bill (S. 5846) granting a pension to Edward D. Satterlee; A bill (S. 5847) granting an increase of pension to Alfred Opelt; and

A bill (S. 5848) granting an increase of pension to Elisha Biggerstaff.

Mr. NEWLANDS introduced a bill (S. 5849) granting an increase of pension to Jeremiah Regan, which was read twice by its title and, with the accompanying papers, referred to the Committee on Pensions.

Mr. RAYNER introduced a bill (S. 5850) to appropriate money for the payment of certain advances made to the United States by the State of Maryland, which was read twice by its title and referred to the Committee on Claims.

Mr. BEVERIDGE introduced a bill (S. 5851) granting an increase of pension to Andrew J. Moore, which was read twice by its title and, with the accompanying papers, referred to the Committee on Pensions.

Mr. HEYBURN introduced a bill (S. 5852) to provide for town sites in connection with projects under the reclamation act and for the construction of schools and municipal improvements, and for other purposes, which was read twice by its title and referred to the Committee on Irrigation and Reclamation of Arid Lands.

Mr. NEWLANDS introduced a bill (S. 5853) to provide for the extension of Reno road in the District of Columbia, for the assessment of benefits and the award of damages in connection therewith, and to provide a fund for the cost and expenses of condemnation proceedings, and for the payment of all judgments and awards in connection therewith, which was read twice by its title and referred to the Committee on the District of Columbia.

Mr. OWEN introduced a bill (S. 5854) to amend section 3643 of the Revised Statutes and penalize false entries of public moneys, which was read twice by its title and referred to the Committee on the Judiciary.

Mr. SIMMONS introduced a bill (S. 5855) providing for an additional circuit judge in the fourth judicial circuit, which was read twice by its title and referred to the Committee on the Judiciary.

Mr. TELLER introduced a joint resolution (S. R. 62) authorizing and directing the Secretary of War to dispose of certain obsolete guns, which was read twice by its title and referred to the Committee on Military Affairs.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. SUTHERLAND submitted an amendment proposing to increase the salary of one law clerk in office of the Solicitor of Internal Revenue, Department of Justice, from \$1,800 to \$2,000, intended to be proposed by him to the legislative, etc., appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. LODGE submitted an amendment relieving from further service July 1, 1908, on account of age, clerk of class 4 employed at the Naval Observatory, Washington, D. C., etc., intended to be proposed by him to the naval appropriation bill, which was referred to the Committee on Naval Affairs and ordered to be printed.

AMENDMENTS TO OMNIBUS CLAIMS BILL.

Mr. GALLINGER submitted an amendment intended to be proposed by him to House bill 15372, known as the "omnibus claims bill," which was referred to the Committee on Claims and ordered to be printed.

Mr. McENERY submitted an amendment intended to be proposed by him to House bill 15372, known as the "omnibus claims bill," which was referred to the Committee on Claims and ordered to be printed.

AMENDMENT TO OMNIBUS PENSION BILL.

Mr. BURROWS submitted an amendment intended to be proposed by him to House bill 15653, known as the "omnibus pension bill," which was referred to the Committee on Pensions and ordered to be printed.

AMENDMENTS TO FINANCIAL BILL.

Mr. CULBERSON submitted two amendments intended to be proposed by him to the bill (S. 3023) to amend the national banking laws, which were ordered to lie on the table and be printed.

RIGHTS OF WAY THROUGH FOREST RESERVES.

Mr. ANKENY submitted an amendment intended to be proposed by him to the bill (S. 4179) granting rights of way and easements for the construction, use, maintenance, and operation of roads, highways, canals, ditches, reservoirs, telephone and telegraph lines, and lines for the transmission of electric light and power within and through forest reserves on the public lands of the United States, which was referred to the Committee on Public Lands, and ordered to be printed.

OCEAN MAIL SERVICE.

Mr. SIMMONS submitted an amendment intended to be proposed by him to the bill (S. 28) to amend the act of March 3, 1891, entitled "An act to provide for ocean mail service between the United States and foreign ports and to promote commerce," which was ordered to lie on the table and be printed.

IMPROVEMENT OF COOSA AND ALABAMA RIVERS.

Mr. BANKHEAD. I ask unanimous consent for the consideration of Senate concurrent resolution No. 42.

The VICE-PRESIDENT. The concurrent resolution will be read for the information of the Senate.

The concurrent resolution was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring). That for the purpose of ascertaining the practicability and cost of improving navigation on Coosa and Alabama rivers by means of storage reservoirs at, near, or above the sites selected for locks and dams Nos. 12, 14, and 15 by cooperation with the Alabama Power Company, or any other corporation duly organized under the laws of the State of Alabama, in the development of water power for industrial purposes, the Secretary of War is hereby authorized to cause a survey to be made of that portion of Coosa River above and below the sites selected for locks and dams Nos. 12, 14, and 15, and to submit to Congress as early as practicable a report giving the results of said survey, including plans and estimates of the whole cost of the work and the proportion thereof which should be borne by the United States; and that the cost of said survey shall be paid from funds heretofore appropriated for examinations, surveys, and contingencies of rivers and harbors.

Mr. GALLINGER. Mr. President, let us have the regular order.

The VICE-PRESIDENT. Concurrent and other resolutions are in order.

CHOCTAW AND CHICKASAW INDIAN ROLLS.

Mr. TELLER. I submit a resolution which I ask be referred to the Select Committee on the Five Civilized Tribes.

The resolution was read and referred to the Select Committee on the Five Civilized Tribes, as follows:

Resolved. That the Secretary of the Treasury and the Secretary of the Interior be, and they are hereby, authorized and directed to, immediately upon the passage of this resolution, transmit to the Public Printer either the original or a true and correct copy of the original of each and every roll of the Choctaw and Chickasaw Indians now in the possession and custody of either of said Departments, or of any Bureau, division, or commission thereof or thereunder, prepared by United States officers, agents, or representatives during the years 1830 to 1890, inclusive; and the Public Printer is hereby directed, immediately upon the receipt of said rolls, to print 500 copies of the same, the expenses of printing the said rolls to be paid out of the contingent fund of the Senate, and immediately upon the completion of the printing of said rolls the original copies shall be returned to the Department from which they were received.

SEAL ISLANDS OF ALASKA.

Mr. TELLER submitted the following resolution, which was considered by unanimous consent and agreed to:

Resolved. That the Secretary of Commerce and Labor be, and he is hereby, directed to furnish, for the information and use of the Senate, copies of all the reports made by the chief and special agents of the Department of Commerce and Labor in charge of the Seal Islands of Alaska during the years 1906 and 1907, and including all reports made to him by his assistants upon the condition of the fur-seal herd and the conduct of affairs on said islands.

DISPOSITION OF CHICKASAW FUNDS.

Mr. TILLMAN. I ask for immediate consideration of the resolution which I send to the desk.

The resolution was read, as follows:

Whereas it is alleged that on the 24th day of June, 1905, a grand jury of the United States of America duly selected, summoned, impaneled, sworn, and charged to inquire fully in and for the body of the southern district of the Indian Territory in the name and by the authority of the United States of America did, upon the oaths of the members thereof, find, present, and charge that one D. H. Johnson, one P. S. Mosely, one George Mansfield, one J. F. McMurray, and one Melvin Cornish, and others to the grand jurors unknown, on certain days in the year 1902, within the southern district of the said Indian Territory, did unlawfully and feloniously commit the crime of conspiracy to defraud (an offense against the laws of the United States) by defrauding the Chickasaw Nation out of the sum of \$28,876.90, the exact amounts fraudulently obtained from the Chickasaw Nation and the exact times and places where and when the said fraudulent transactions occurred being set out in said indictment; and

Whereas it is alleged that on or about the 15th day of December, 1905, the Attorney-General of the United States did direct one W. B. Johnson, then United States attorney for the southern district of the Indian Territory, to dismiss, by entering a nolle prosequi in said case, the said indictment; and

Whereas it is alleged that the said W. B. Johnson refused to dismiss the said indictment as directed by the Attorney-General of the United States; and

Whereas it is alleged that the Attorney-General of the United States on or about the 15th day of January, 1905, removed the said W. B. Johnson from office, said removal being by telegraphic communication, and said removal being based upon the refusal of the said W. B. Johnson to carry out the directions of the Attorney-General of the United States; and

Whereas it is alleged that the said Attorney-General of the United States did, on or about the 15th day of January, 1905, by telegraphic communication, reinstate the said W. B. Johnson in the office of United States attorney for the southern district of the Indian Territory; and

Whereas it is alleged that the said W. B. Johnson refused and continued to refuse to dismiss the said indictment against the said persons during his term of office; and

Whereas it is alleged that on or about the 13th day of November, 1907, the Attorney-General of the United States did send a telegram to the United States attorney for the southern district of the Indian Territory, one George R. Walker, directing him to "be sure" and dismiss the said indictment against the said persons "before the Territorial courts pass out of existence and the creation of the new State;" and

Whereas it is alleged that on or about the 14th day of November, 1907, the assistant United States attorney for the southern district of the Indian Territory (the United States attorney being absent at the time), one James E. Humphrey, did cause an order to be entered upon the records of the United States court for the southern district of the Indian Territory, sitting at Ardmore, dismissing the said indictment with the notation "by the direction of the Attorney-General of the United States;" Therefore be it

Resolved. That the Attorney-General of the United States be, and he is hereby, directed to transmit to the Senate a true and correct copy of the said indictment, all correspondence of every kind and description that has passed between the Department and the United States attorney or attorneys and his or their assistant attorney or attorneys for the southern district of the Indian Territory, and all correspondence of every kind and description between any officer of the United States Government and any other person or persons pertaining or appertaining to said indictment.

That the Attorney-General of the United States be, and he is hereby, directed to inform the Senate why said indictment was dismissed and whether it is customary for the Attorney-General to interfere with the prosecution of persons against whom an indictment or indictments have been returned in the State or Federal courts of the country, and whether other indictments have been dismissed by direction of the Attorney-General within the past five years, and if so, what indictments, and the cause therefor.

The VICE-PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. GALLINGER. It has been submitted this morning?

Mr. TILLMAN. Yes, sir.

Mr. GALLINGER. I think I should like to see it in print. I will ask that it go over.

The VICE-PRESIDENT. Objection is made, and the resolution will go over.

PORTSMOUTH, N. H., HARBOR.

Mr. GALLINGER submitted the following concurrent resolution, which was referred to the Committee on Commerce:

Resolved by the Senate (the House of Representatives concurring). That the Secretary of War be, and he is hereby, authorized and directed to cause an examination and survey to be made of Portsmouth Harbor, in the State of New Hampshire, with a view to obtaining slack-water navigation therein by the construction of a dam, and to submit estimates for the same.

RECEIPTS AND DISBURSEMENTS OF PUBLIC MONEY.

Mr. OWEN. I submit a resolution, and ask that it be read and referred to the Committee on Expenditures in the Treasury Department.

The resolution was read and referred to the Committee on Expenditures in the Treasury Department, as follows:

Resolved. That the Secretary of the Treasury be, and he is hereby, directed to transmit to the Senate the following information:

First. A revised statement of Table No. 7, of the Treasurer's annual report, entitled "Receipts and disbursements of each kind of money on all accounts at the subtreasury in New York for the fiscal year 1907," in which statement all the checks or drafts now included in or represented to be amounts of coins or notes shall be entered in a separate column to show the actual receipts and disbursements of each kind of money, as well as the amounts of checks or drafts received and disbursed on all accounts, this statement to be made without delay and transmitted immediately upon completion.

Second. Similarly arranged statements of receipts and disbursements at the Treasury in Washington and at each of the eight sub-treasuries outside of New York; that is to say, statements revising and correcting Tables Nos. 5, 6, 8, 9, 10, 11, 12, 13, 14, and 15 of the Treasurer's report for 1907.

Third. All correspondence with and departmental reports to the Secretary of the Treasury or the Treasurer of the United States in 1907, and previously from 1884 to 1907, on the subject of entering amounts of checks or drafts as actual moneys received and disbursed in the tables accompanying the annual report of the Treasurer.

Mr. OWEN. I ask that the correspondence I send to the desk, which is explanatory of the resolution, be printed in the RECORD for the information of the Senate.

The VICE-PRESIDENT. The Senator from Oklahoma asks unanimous consent that the matter referred to by him be printed in the RECORD without reading. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

322 MARYLAND AVENUE NE.,
Washington, D. C., November 7, 1907.

Hon. GEORGE B. CORTELYOU,
Secretary of the Treasury, Washington, D. C.

DEAR SIR: At your request I inclose a memorandum of those false entries of several hundred million dollars in the account of the assistant treasurer at New York, falsifications which, for the fiscal year 1906, amounted to about one thousand millions on each side of the account. The inclosed letter explaining the sophistication you will remember reading at Huntington in my presence, on August 23. The fraud consists in entering checks as gold certificates, silver certificates, United States notes, subsidiary silver, and minor coin, when no coin or note is paid or received.

Treasury officials have been telling me you would not order the discontinuance of even such deliberate, enormous falsifications and their correction in the account for 1907 soon to be published. Since the entries balance, being equally false as debits and credits, they do not indicate abstraction or diversion of public funds. The only evil intent is to deceive the Appropriations Committees of the House and Senate by making the business done at the subtreasury in New York and Treasury in Washington appear greater than it is in proportion to that of other offices.

These false entries are still being made daily at the subtreasury in New York, where you were recently. Their correction will be an act of honesty entirely yours, due to your individual courage. The Department shows no sense of shame at making a false statement of billions.

Very respectfully,
JAMES C. HALLOCK.

24 SEVENTH AVENUE,
Brooklyn, N. Y., August 22, 1907.

Hon. GEORGE B. CORTELYOU,
Secretary of the Treasury, Washington, D. C.

DEAR SIR: In mine of August 19 I showed by forty years of Treasury circulars the Secretary's power to have disbursements made by checks on banks in Washington, New York, etc.

In this I wish to call your attention particularly to a sophistication of Treasury accounts in which several hundred million dollars of imaginary disbursements are entered as real transactions. This padding is connected with the refusal of bank checks in payment of customs duties at New York. Its complete correction can be easily effected by accepting such checks under a simple rule insuring absolute safety, as will be explained.

Misled by the last annual report of the United States Treasurer (p. 53), I wrote you on July 12 that "in 1906 disbursements at New York amounted to \$740,205,722 by United States disbursing agents." The Treasurer gives the total expenditures (p. 7) for 1906 as \$568,784,790, or \$171,420,932 less than these officers are reported as disbursing. How do they come to disburse more than the entire expenditures of the Government?

Upon investigation I find an error of \$352,959,158, which reduces their disbursements nearly half of the reported amount, namely, to \$387,246,564. This error is a figment of bookkeeping. It appears in Table No. 7 of the Treasurer's report (p. 53) as "Special customs deposit."

What is this so-called deposit? It is supposed to be money which New York banks deposited during the year with the assistant treasurer to pay duties for their customers. Such deposits are made daily in advance and far exceed the amount of duties paid at New York and give where. A bank, for instance, deposits \$50,000 in the morning and gives its importing customers during the day "special customs fund transfers" aggregating \$20,000, which the collector of customs accepts in payment and deposits with the assistant treasurer who, at the close of business, enters in his account \$20,000 as customs receipts and \$30,000 as "special customs deposit." This deposit, then, is the unused portion.

What is done with the balance? First, the cashier of the subtreasury mails the bank immediately a check on the assistant treasurer for \$30,000. The next day the bank returns this check with \$20,000 in money to make a deposit of \$50,000 for that day, and so on through the year. In 1906 the total amount of checks returned to the New York banks daily appears to have averaged about \$1,161,000. These checks represented so much money constantly on deposit and undrawn because in excess of requirements.

These cashier's checks were really never cashed, but every morning there was an imaginary cashing: an imaginary presentation of the checks for payment, an imaginary payment of them in gold certificates, etc., and an imaginary deposit of these gold certificates, etc. This imaginary payment and deposit of the real \$1,161,000 taking place daily swelled the imaginary "special customs deposit" during the year to nearly \$353,000,000. The Treasurer reports this deposit as paid in \$352,951,630 of gold certificates which are wholly imaginary, \$5,873 of imaginary United States notes (fives), \$1,501 of imaginary silver certificates (ones and twos), \$133 of subsidiary silver (imaginary halves, quarters, and dimes), and \$21 of imaginary nickels and coppers. The cashier is the imaginary disbursing officer of these imaginary deposits; what he imagines he receives on deposit in the morning he imagines he disburses in the afternoon.

The real money deposited (say, \$1,161,000 at the beginning of the year with real additions or deductions from day to day) should be considered as collateral to secure the balance carried overnight and not as an ever-recurring daily receipt at the opening of business and a disbursement at its close.

The best way to proceed would be for the Secretary of the Treasury to authorize: 1. The collector of customs at New York to deposit customs receipts in depository banks there.

2. The collector to accept in payment of duties any certified checks on New York banks which any depository bank there will place as cash to the credit of the United States Treasurer, giving the collector a certificate of deposit for the same.

3. Disbursing officers to deposit in New York banks, specially designated for each officer, any public moneys entrusted to them for disbursement.

4. No further transfers from regular depositories in New York to the Treasury or subtreasury of any public money that can be disbursed as well or better by checks on banks.

5. Any excess of deposit over the amount of security held by the Government to be transferred to other regular depositories that furnish the security.

The Secretary of the Treasury who authorizes all this will do more than any Secretary has done or been able to do for two generations (sixty-one years). And should the Secretary now refuse to have checks drawn on depository banks in Washington, New York, Baltimore, or any other of the nine subtreasury cities, he would merit the condemnation of every business man, every banker, every woman and child that understands what a check is, and how unbusinesslike it is, instead of paying in checks, to run upon the banks for coin or currency, as the Government does.

Very respectfully,
JAMES C. HALLOCK.

MEMORANDUM.

In the annual report of the United States Treasurer for 1906, page 53, Table No. 7 purports to give the "receipts and disbursements of each kind of money on all accounts at the subtreasury in New York for the fiscal year 1906." In this table there are nine columns for as many kinds of money, but no column for checks received and paid.

On page 94 of the report, Table No. 46 gives the "transactions between the subtreasury and clearing house in New York during each month," showing "checks sent to clearing house" and "checks received from clearing house," both aggregating hundreds of millions for the year. The amounts appear in Table No. 7, but disguised as receipts and disbursements in various forms of coin or notes.

The item of "special customs deposit" as receipts in Table No. 7 represents checks for \$352,959,158 drawn by the cashier of the subtreasury in favor of New York banks and deposited by them the next morning. These checks are falsely entered as "subsidiary silver," \$133; "United States notes," \$5,873; "gold certificates," \$352,951,630; "silver certificates," \$1,501, and "minor coin," \$21. These same amounts are merged in the disbursements of disbursing officers to whom the cashier's checks are charged, making nearly \$353,000,000 of fiction in their alleged disbursements of \$740,205,722 in the five kinds of money named above.

The item of "transfers," purporting to be the receipt of \$540,609,560 in gold certificates, is largely one of checks. Where the corresponding disbursements appear on the other side of the account is not known.

These false entries appear to a greater or less extent in all the eleven tables from No. 5 to No. 15, pages 51-61 of the report, and summarized in Table No. 15.

The correction of these false entries will require a separate column for "checks" as receipts and disbursements in all of the tables named.

SPECIAL CUSTOMS FUND TRANSFER.

CLEARING HOUSE NO. 42.

THE MARKET AND FULTON NATIONAL BANK

OF NEW YORK.

No. C 900 NEW YORK 190 \$

THE COLLECTOR OF CUSTOMS AT THE PORT OF NEW YORK WILL CHARGE AND TRANSFER TO THE ACCOUNT

OF "DUTIES PAID" _____ DOLLARS

FROM THE AMOUNT DEPOSITED BY THE MARKET AND FULTON NATIONAL BANK OF NEW YORK WITH THE ASSISTANT TREASURER OF THE UNITED STATES AT NEW YORK, TO THE ACCOUNT OF "SPECIAL CUSTOMS FUND."

Countersigned

TELLER.

CASHIER.

Report of Treasurer of the United States—Receipts and disbursements of each kind of money on all accounts at the subtreasury in New York for the fiscal year 1906.

Account.	Gold coin.	Standard silver dollars.	Subsidiary silver.	United States notes.	Treasury notes.	National-bank notes.	Gold certificates.	Silver certificates.	Minor coin.	Total.
RECEIPTS.										
Customs	\$4,829,385	\$204,564	\$362	\$1,149,932			\$197,137,910	\$865,612	\$28	\$204,187,793
Internal-revenue				1			250			251
Miscellaneous	285		1,932	19,833		\$785	10,006,160	106,789	85	10,132,900
Disbursing officers	1,200	4,270	348	151,739		153,175	25,118,190	174,075	26	25,603,023
Post-Office Department	16,134	7,500	502	800,091		937,900	14,792,070	1,118,332	49	17,732,631
Transfers	599,800	8,655	503,319	21,000,983	\$156,397	6,569,794	540,609,560	33,419,628	301,543	603,229,694
Gold bars			17				20,055,370			20,055,387
Standard silver dollars	1,660			251,940		41,100	3,633,600	329,935		4,258,235
Subsidiary silver	6,500			352,045		78,310	6,305,230	418,485		7,109,600
Minor coin				55,040		13,615	981,450	57,165		1,107,270
Gold certificates	1,000,000									1,000,000
Redemption and exchange	58,915,158	5,435,651	16,587,187	47,290,910	385,507	656,565	98,509,830	147,113,427	2,259,610	377,231,881
Special customs deposit			133	5,873			352,951,630	1,501	21	352,959,158
Issues							19,930,000			19,930,000
Total	65,370,172	5,680,650	17,073,800	71,207,431	541,904	8,448,245	1,290,121,310	183,601,949	2,560,362	1,644,585,823
DISBURSEMENTS.										
Warrants and checks	4		1,571	9,590			29,569,080	22,911	133	29,608,289
Disbursing officers	590,008	6,819	74,543	4,157,288		2,105,000	732,771,300	495,459	5,305	740,205,722
Post-Office Department			13				3,449,690	150	1	3,449,854
Transfers		1,414,100	7,202,918	35,602,000	542,200	6,235,000	191,707,930	80,701,013	491,411	323,896,572
Redemption and exchange:										
Gold coin		5	4,209				59,917,970			59,922,184
Standard silver dollars								5,401,780		5,401,780
Subsidiary silver								16,555,145		16,555,145
United States notes			373,054	32,003,750			1,000	14,772,900	85,381	47,326,085
Treasury notes of 1890		100	1,000					384,858	70	385,028
National-bank notes			519,800						136,765	656,565
Gold certificates	33,804,800	1,217,300	10,134,000				51,718,080		1,747,500	98,621,680
Silver certificates		831,400	108,650				82,970,000	63,356,143	127,981	147,394,174
Minor coin			212					2,255,868	643	2,256,723
Fractional currency										
Clearing-house balances			104	205,838			140,289,000		10	140,494,952
Total	34,394,812	3,469,724	18,420,074	72,068,466	542,200	8,340,000	1,292,394,050	183,946,227	2,595,200	1,616,170,753

Report of Treasurer of the United States—Transactions between the subtreasury and clearing house in New York during each month from January, 1900.

Month.	Checks sent to clearing house.	Checks received from clearing house.	Balances due subtreasury.	Balances due clearing house.
1905.				
July	\$27,483,118.04	\$47,223,942.71	\$2,689,536.49	\$22,425,361.16
August	28,073,192.76	40,694,438.55	1,029,218.17	15,650,463.93
September	26,972,085.09	32,676,093.16	3,423,974.43	9,127,982.50
October	28,235,116.35	40,686,938.33	556,834.30	13,008,716.78
November	23,270,632.20	32,351,829.68	638,113.11	9,719,310.69
December	24,309,278.05	32,187,315.89	1,059,374.77	8,937,412.61
1903.				
January	25,456,394.18	46,710,493.94	325,392.65	21,565,492.41
February	30,608,404.33	31,688,622.75	7,268,975.27	8,349,193.69
March	29,174,220.00	31,214,215.38	3,750,494.87	5,790,490.25
April	23,738,833.42	32,776,428.45	1,453,127.16	10,490,722.10
May	23,291,358.19	29,305,626.23	724,748.49	6,739,016.53
June	24,473,190.24	29,795,611.40	3,348,367.87	8,670,789.03
Total for fiscal year 1906	313,090,822.85	427,317,556.97	26,268,217.53	140,494,951.70

The object of clearing is to economize the use of coin or currency by balancing accounts so as to offset debts with claims, leaving only a difference to be settled in money.

Checks sent to clearing house	\$313,090,823
Balances paid to subtreasury	26,268,218
Amount offset by clearing house	286,822,605
Checks received from clearing house	427,317,557
Balances paid by subtreasury	140,494,952
Amount offset by subtreasury	286,822,605
Checks sent to clearing house	313,090,823
Checks received from clearing house	427,317,557
Total	740,408,380
Balances due subtreasury	\$26,268,218
Balances paid by subtreasury	140,494,952
Total of coins and notes involved	166,763,170
Total amount offset	573,645,210
Half offset by each	286,822,605
Imaginary receipts:	
Special customs deposit	352,959,158
Offsets at clearing house	286,822,605
Total	639,781,763

Imaginary disbursements:	
By disbursing officers	\$352,959,158
Offsets at clearing house	286,822,605
Total	639,781,763
Total imaginary receipts	639,781,763
Total imaginary disbursements	639,781,763

Total for both sides of account 1,279,563,526

COMPANIES B, C, AND D, TWENTY-FIFTH U. S. INFANTRY.
On motion of Mr. FORAKER, it was
Ordered, That there be printed for the use of the Senate document room 500 copies of the bill (S. 5729) to correct the records and authorize the reenlistment of certain noncommissioned officers and enlisted men belonging to Companies B, C, and D of the Twenty-fifth United States Infantry, etc.

AFFAIRS IN ALASKA.
Mr. NELSON. I present the final report of the grand jury to the Hon. Silas H. Reid, judge of the United States district court for the Territory of Alaska, third division, held at Valdez, Alaska. It relates to a very important matter in that Territory. I move that the report be printed as a document and that it be referred to the Committee on Territories.
The motion was agreed to.

RESIGNATION OF JUDGES.
Mr. KNOX. I ask unanimous consent for the present consideration of the bill (S. 4535) to amend section 714 of the Revised Statutes of the United States relating to the resignation of judges of the courts of the United States.

The Secretary read the bill, and there being no objection the Senate, as in Committee of the Whole, proceeded to its consideration. It proposes to amend section 714 of the Revised Statutes of the United States to read as follows:

SEC. 714. When any judge of any court of the United States resigns his office, after having held a commission or commissions as judge of any such court or courts at least ten years, and having attained the age of 70 years, he shall, during the residue of his natural life, receive the same salary which was by law payable to him at the time of his resignation.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

SAMOAN CLAIMS.
The VICE-PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:
To the Senate and House of Representatives:

I transmit a report by the Secretary of State concerning this Government's obligation to pay to the Government of Norway the sum

of \$200 under the convention between the United States, Great Britain, and Germany for the settlement of Samoan claims, which was signed at Washington on November 7, 1899.

THEODORE ROOSEVELT.

THE WHITE HOUSE, March 2, 1908.

HOUSE BILLS REFERRED.

H. R. 11560. An act relating to unpaid Hawaiian Postal Savings Bank deposits was read twice by its title and referred to the Committee on Post-Offices and Post-Roads.

H. R. 14043. An act to provide for the extension of time within which homestead entrymen may establish their residence upon certain lands within the limits of the Huntley Irrigation project, in the county of Yellowstone, in the State of Montana, was read twice by its title and referred to the Committee on Public Lands.

H. R. 17288. An act making appropriation for the support of the Army for the fiscal year ending June 30, 1909, was read twice by its title and referred to the Committee on Military Affairs.

H. R. 17422. An act to authorize the counties of Henry and Rock Island, in the State of Illinois, to construct a bridge across Rock River at or near Colona Ferry, in said State, was read twice by its title and referred to the Committee on Commerce.

H. R. 17703. An act to repeal section 4885 of the Revised Statutes and to substitute another section therefor, was read twice by its title and referred to the Committee on Patents.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. M. C. LATTA, one of his secretaries, announced that the President had, on the 29th ultimo, approved and signed the following act:

S. 3726. An act to authorize the Twin City Power Company to build, operate, and maintain three dams across the Savannah River, above the city of Augusta, in the State of Georgia.

INTERNATIONAL CONGRESS ON TUBERCULOSIS.

The VICE-PRESIDENT laid before the Senate the amendments of the House of Representatives to the concurrent resolution of the Senate authorizing the Department of State to invite the governments of other countries, through their ministers, to send representatives to the International Congress on Tuberculosis, to be held in Washington September 21 to October 12, 1908, which were, on page 1, to strike out the resolving clause and insert:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled.

On page 1, insert as a title:

Joint resolution authorizing the invitation of governments of other countries to send representatives to the International Congress on Tuberculosis.

Mr. GALLINGER. I move that the Senate agree to the amendments made by the House of Representatives.

The motion was agreed to.

AMENDMENT OF NATIONAL BANKING LAWS.

Mr. SMITH. I submit an amendment intended to be proposed by me to the bill (S. 3023) to amend the national banking laws.

The VICE-PRESIDENT. Does the Senator desire to have the proposed amendment read?

Mr. SMITH. I ask that it be read.

The VICE-PRESIDENT. It will be read.

The SECRETARY. On page 4, line 15, strike out all after the words "taxes" down to and including the word "bonds," page 4, line 23.

Mr. SMITH. Mr. President, the purpose of my amendment is to strike out the railroad-bond feature of the so-called "emergency currency bill," because I believe it would be unwise to predicate our currency on a private security, and while I do not care to take much time I desire that the amendment may not be misunderstood. I dislike very much to disagree with the Senate Committee on Finance regarding the wisdom of this section of the proposed bill, and what I have to say about it may be immature and disconnected, but feeling as I do, I can not resist the temptation to express my views regarding it.

Mr. President, I believe that the railroad-bond feature of this bill will operate to check, rather than to stimulate, bond securities, as a whole, giving them a political rather than a commercial status, and that the attempt to supply a new use for railroad bonds by this legislation will be abortive, ultimately resulting in discrimination and diminution of value. The Government has never before attempted to give legislative value to commercial securities, and this attempt is as unwise as it is

radical and unnecessary and should find no place in our financial system. A bond-secured currency is bad enough at best. This bill would weaken it in the eyes of our own people and subject it to unenviable criticism abroad.

Bond currency was originally proposed by Lincoln's great Secretary of the Treasury for the purpose of making a bond market for Government securities, in order to meet the extraordinary expenses growing out of the war. I have no criticism to make upon it. That was a Government function and met the expectation of its author. It was indeed emergency legislation, and the statesmen who planned it builded even better than they knew, although the best financial students have always believed it unscientific and undesirable as a permanent basis of circulation.

Mr. President, I do not question the patriotic purpose of the Finance Committee. I give them credit for being prompted by the highest motives. Yet I can not but feel that the experiment is doubtful and the conditions with which it is hedged about will operate to cast discredit upon every bond not coming within the purview of this legislation.

Under this law not more than two or three hundred million dollars of railroad security could possibly be utilized as the basis for currency issue. The act only provides for \$500,000,000 of emergency money, and it is well understood that municipal, State, and county bonds will absorb a large proportion of this currency.

Mr. ALDRICH. Mr. President—

The VICE-PRESIDENT. Does the Senator from Michigan yield to the Senator from Rhode Island?

Mr. SMITH. Certainly.

Mr. ALDRICH. The Senator from Michigan, as I understand his statement, believes that if we issued \$500,000,000 currency it would be largely based upon other bonds than railroad bonds?

Mr. SMITH. I am inclined to that opinion.

Mr. ALDRICH. I understood the Senator to state that there are two or three hundred million dollars of bonds that would be available.

Mr. SMITH. No; I did not say that. What I said was this: That of the bonds available under the provisions of this law there would not probably be over two or three hundred million dollars of railroad securities deposited, if municipal and State bonds are to be deposited. According to the Senator's own statement in opening the debate, there might be perhaps \$250,000,000 of each.

Mr. ALDRICH. The Senator from Michigan, I suppose, does not doubt the safety of these bonds.

Mr. TELLER. Mr. President—

The VICE-PRESIDENT. Does the Senator from Michigan yield to the Senator from Colorado?

Mr. SMITH. Certainly.

Mr. TELLER. I do not wish to interfere with the discussion going on, but we want to hear it in this part of the Chamber.

Mr. SMITH. In answer to the inquiry of the Senator from Rhode Island, who asks whether I doubt the safety of these bonds, I will say: No, Mr. President, I do not doubt their safety. What I doubt is the expediency of permitting any commercial bond to be the basis of a currency issue. What is to become of the millions of railroad bonds that are thus discriminated against, that are not to be receivable for this purpose? Who will take them? The public? Or will the Government later be asked to do it?

Mr. ALDRICH. There are over six thousand million dollars of railroad bonds.

Mr. SMITH. Yes; I thank the Senator. There are over six thousand million dollars of railroad bonds, most of which will be discriminated against. I have here on my desk a letter from one of the most prominent bankers in New York who says, "For God's sake do not discriminate against our Philippine railroad bonds; it would be a black eye to our issue." Why should we enter that field at all? Why not permit this class of desirable securities to find their own market, on their merits, without artificial aid by the Government? We are not called upon to go into copartnership with these transportation companies. The Government's business is to honestly regulate and justly protect the right of property and not to become banker for special interests.

Mr. President, I contend that to select any class of private securities by law and say that only that class may be used as a basis for emergency currency is to discriminate against every other issue outside that circle. This, sir, is not the function of popular government.

I do believe, however, that municipal, State, and county bonds may be appropriately used in an emergency. These are

generally described, and if legally issued are all included within the act. Every bond of this description will appreciate in value by reason of this legislation, and the people as a whole in the various geographical subdivisions will profit by the privilege, and I am willing they should. That is their Government and this is their Government. We are merely their servants, acting in their interest; and so long as they live up to their contracts and are animated by civic pride no loss can result to the Government.

You say that the railroad bond to be available at the Treasury must have paid interest for five years, and that the railroad company must have paid 4 per cent dividend on its stock for a period of five years. Four per cent dividend on its stock is not necessarily the measure of the value of a bond.

I would rather have a railroad bond upon a railroad modestly bonded and honestly built in a desirable territory, with an indebtedness, perhaps, of not over \$25,000 to \$30,000 a mile, an underlying security guaranteed by a leasing company for a period of years, than to have the bond of a road that has merely for the period of five years paid dividends upon its stock, perhaps at the expense of its physical condition, and which sudden business depression may impair. The dividend feature of this bill does not strengthen the situation at all.

And let me advise Senators that in my opinion this proposition, most novel in character, now presented for the first time in the history of the Government, will result in putting a responsibility upon this Government which may ultimately oblige us to take over these roads by foreclosure in order to realize upon our security. It is the first serious step toward the Government ownership of railroads, in my judgment. Whoever takes a mortgage or security thereunder must take the risk of ultimately being called upon to foreclose that mortgage. Senators may shake their heads. How little we thought in the St. Louis Exposition and in the Jamestown Exposition that we would ever be obliged to enforce our lien to protect the Government and even then suffer a loss. Whenever we go outside our true sphere we must be prepared to accept all the responsibility that goes with the experiment, and the time may come when you will be obliged to enforce your lien and foreclose your security, even going so far as to assert proprietorship over the physical property which you have made the basis for circulation.

Another thing, most of the great railroad systems of the country are made up of small lines. Those lines are leased, and on a basis providing for payment of the interest on the bonds, betterments, and taxes. They have no stock on the market or on a dividend basis. That class of securities are, in my judgment, generally regarded as good, and yet this bill discriminates against them.

Mr. McCUMBER. Mr. President—

The VICE-PRESIDENT. Does the Senator from Michigan yield to the Senator from North Dakota?

Mr. SMITH. Certainly.

Mr. McCUMBER. Will it disturb the Senator to be interrupted by a question?

Mr. SMITH. Not at all.

Mr. McCUMBER. The Senator has several times mentioned the disastrous effect of discriminating against railroad bonds which would not be taken under the bill.

Mr. SMITH. Yes; although that is not my principal objection to its passage. I think the bill fundamentally wrong.

Mr. McCUMBER. And in his statement I believe he admitted that there are about \$6,000,000,000 of railroad bonds in the United States, and \$2,000,000,000 of railroad bonds that would be proper as security for the issue of this emergency currency. Assuming that it is \$6,000,000,000, and every dollar's worth of the issue was based upon railroad securities alone, there would be only 7 per cent, and if half of it would be based upon municipal securities the whole extent left would be only 3½ per cent of the entire amount of railroad bonds in the United States. Now, does the Senator believe that utilizing 3½ per cent of all the railroad bonds in the United States would so discriminate as to seriously affect the other 96½ per cent of the bonds?

Mr. SMITH. What I believe is this, that whenever a bond buyer will inquire of the seller: "Is this bond recognized by the Government?" "Is this bond good for the emergency currency?" "Has the Government put the stamp of its approval upon this issue?" If not, then I say he will be less liable to take it and would quickly note the difference in value.

Mr. McCUMBER. Assuming, Mr. President, that those bonds which would be taken by the Government would not be upon the market—and they could not be upon the market because they would be held at that time—would the public, as purchasers, pay any less for the other 96½ per cent of bonds in the market because the Government gave a special credit to the 3½ per cent?

Mr. SMITH. I think the trouble to-day with our bond market is not that the bonds are not good, because everyone knows they are good; but the trouble with the bond market is that people will not buy them and they are hypothecated and deposited in the vaults of banks all over the country. The people will not buy them under present conditions, and this bill creates a harbor of refuge until the storm passes, which may be temporary, but which I think if ever adopted will be permanent. I think the step proposed most ill advised, even dangerous to our financial stability, inviting unnecessary controversy, and introducing new and questionable practices into our Treasury operations.

Mr. President, I hope I shall not be misunderstood in what I have said. In the first place, I believe in treating the corporation with perfect fairness. The public man who would arouse class against class or section against section or people against corporations has very little standing in my sight. I am one of those public servants who believe that an artificial person and a natural person should have equal rights before the law, no more and no less, and I shall square my conduct by this wholesome maxim. I am, however, strongly opposed to a bond-secured currency at all, and this measure in some respects, at least, only aggravates the objections, and will make it more difficult to ever bring about a change in policy, desirable though it might be.

What did it mean when one of the most prominent bankers in the city of New York stated to me in a letter yesterday:

For God's sake do not leave the Philippine railroad bonds out of this bill, for it would be a black eye that they never would recover from?

Mr. BEVERIDGE. Mr. President—

The VICE-PRESIDENT. Does the Senator from Michigan yield to the Senator from Indiana?

Mr. SMITH. Certainly.

Mr. BEVERIDGE. I am very much interested in the Senator's lucid remarks, and I should like to know whether he would exclude as a basis of this emergency currency all the railroad bonds that he says would be discriminated against, or, on the other hand, all railroad bonds? Where would he make the discrimination? Would he include all of them?

Mr. SMITH. I thank the Senator from Indiana. No; I would not have any railroad bonds or other quasi-public bonds as a basis for our currency.

Mr. BEVERIDGE. I understand the Senator now.

Mr. SMITH. I believe such a policy to be most ill advised and unwise, and that it would recoil upon the government that adopts it to her disadvantage and discomfiture.

Mr. BEVERIDGE. So that the Senator would exclude all railroad bonds as a basis?

Mr. SMITH. Yes.

Mr. BEVERIDGE. I now understand the Senator.

Mr. SMITH. The bonds of municipalities, States, and counties, being geographical subdivisions of our country controlled by all the people, may properly be included in our emergency legislation under such regulations as seem wise. I would not antagonize that feature at all; present conditions may justify it and no serious harm can come from it, but the other feature is most dangerous. How may you ascertain the value of these railroad bonds? What machinery of the Government is now at work by which you can ascertain their value?

Mr. ALDRICH. Mr. President—

The VICE-PRESIDENT. Does the Senator from Michigan yield to the Senator from Rhode Island?

Mr. SMITH. Certainly.

Mr. ALDRICH. The twentieth section of the interstate-commerce act as amended by the legislation known as the "road-rate law" furnishes ample machinery.

Mr. BEVERIDGE. We can not hear the Senator at all. Nobody can hear him over here.

Mr. ALDRICH. I said that the twentieth section of the interstate-commerce act as amended by the rate law, so called, furnishes ample machinery to ascertain the character and the value of these bonds.

Mr. SMITH. Mr. President—

Mr. ALDRICH. And it is the intention that an amendment shall be offered for the purpose of putting machinery in operation for ascertaining the value of these bonds.

Mr. SMITH. I dislike very much to disagree with the Senator, and yet I am very familiar with that section. I am very familiar with the Senator's letter to the Interstate Commerce Commission. I am entirely familiar with the Interstate Commerce Commission's answer. The Interstate Commerce Commission told the Senator in their answer that there was no machinery of the Government by which to ascertain the value of this property; they told the Senator it would require a force of nearly 200 men to get into shape for this work; and the

answer of Mr. Adams for the Interstate Commerce Commission pointed out that thus far they had only accomplished the classification of accounts of the railroads, not taking into account their physical value at all.

Mr. ALDRICH. That was not the suggestion I made. I am glad the Senator is familiar with the twentieth section of the act, but if he will reread it, he will find that the Commission have ample authority to do everything that I have suggested.

Mr. SMITH. Mr. President, Mr. Adams answered the Senator—

Mr. ALDRICH. I am not talking about Mr. Adams's answer; I am talking about the twentieth section of the interstate-commerce act as amended.

Mr. SMITH. But the Senator asked the Interstate Commerce Commission to give the Senate information upon which they might base an approximate value of this class of securities. I will read the letter of the Senator. I have it before me.

Mr. ALDRICH. I am not talking about the correspondence at all at this moment. I am talking about the provision of the twentieth section of the interstate-commerce act.

Mr. SMITH. But I am talking about this correspondence, because it relates directly to the point which he made and directly to the inquiry of the Senator from Rhode Island. I will read the letter of the Senator from Rhode Island to the Interstate Commerce Commission, as I have it before me.

COMMITTEE ON FINANCE, UNITED STATES SENATE,
January 21, 1908.

GENTLEMEN: In connection with the proposition that the Government should accept railroad bonds as a part of the securities required from national banks for additional circulating notes, I would be glad if you would advise me:

First. What has been done under the twentieth section of the act to regulate commerce, as amended, relative to a prescribed system of railroad accounts?

Second. What principles or rules have been promulgated in the orders of the Commission thus far issued relative to operating accounts, and what principles or rules are under advisement pertaining to capital accounts, to be covered by subsequent orders of the Commission, that will tend to give security and stability to railway securities?

Third. What has been done under the twentieth section of the act to regulate commerce, as amended, relative to the appointment of a board of special examiners into railway accounts?

Fourth. Would it be possible, in your opinion, after the various provisions of the twentieth section shall have been carried into effect, for the Secretary of the Treasury, from the records in the possession of the Interstate Commerce Commission, to select classes of bonds which it would be safe for the Government to accept as security for the ultimate payment of these circulating notes?

Very truly yours,

NELSON W. ALDRICH.

The INTERSTATE COMMERCE COMMISSION,
Washington, D. C.

I am very familiar with the answer to the Senator, and I contend that the answer of Mr. Adams was to the effect that there is no machinery of the Government now in operation for the purpose of ascertaining the values about which the Senator inquired. The Interstate Commerce Commission has a system of classified accounts by which it separates the earnings from the expenditures of the railroad property, and, deducting the expenditures from the earnings, leaves the net balance for dividends and for the payment of interest on bonds. But the Senator from Rhode Island knows that the whole tenor of Mr. Adams's statement is to the effect that the Government does not at the present time have anything by which they can ascertain the value of these securities. Their selection is entirely a matter of discretion with the Secretary of the Treasury.

Mr. ALDRICH. Mr. President—

The VICE-PRESIDENT. Does the Senator from Michigan yield to the Senator from Rhode Island?

Mr. SMITH. Certainly.

Mr. ALDRICH. I think the Senator from Michigan fails entirely to reach the point which I was suggesting.

Mr. SMITH. The Senator from Rhode Island also fails to reach my point.

Mr. ALDRICH. It is not a question at all whether that machinery is in operation. The question is whether the twentieth section of the interstate-commerce act gives the Interstate Commerce Commission power to make these inquiries—

Mr. SMITH. It does give it power.

Mr. ALDRICH. And when the machinery provided in that section is put in operation, whether then the Secretary would be able to obtain this information.

Mr. SMITH. Certainly. But the public examiners have not been designated and no work has been accomplished by the Commission beyond a system of classified accounts, as you will see by Mr. Adams's letter to the Senate, which says, among other things:

The fact that public examiners must test this account has not been lost to view. A balance sheet, if correctly drawn, taken in connection with the operating accounts and the property accounts of a carrier, should furnish adequate information for testing the stability and certainty of underlying securities.

The third question is as follows:

"What has been done under the twentieth section of the act to regulate commerce, as amended, relative to the appointment of a board of special examiners into railway accounts?"

The board of special examiners is the means proposed by Congress to make effective a prescribed system of railway accounts. In direct response to the question, it should be said that no board of examiners has as yet been formally organized. Ten special examiners have been appointed, but for the most part they have been engaged in investigations bearing upon the character of the accounts to be prescribed. With the exception of special examinations into claims and into the manner in which the depreciation accounts have been applied, no formal examinations, such as were contemplated by Congress, have been undertaken.

It will require the permanent employment of 260 men to enable the Commission to exercise administrative supervision over the accounts of steam railroads. The Civil Service Commission has provided, through special examination, a roster from which perhaps half of this number of men may be secured, and a new examination will be undertaken when necessary. A programme for the organization of a board of examiners, including a plan for branch offices at certain selected railway centers and a set of instructions prescribing the manner in which these examinations shall be carried on, are sufficiently advanced to warrant the statement that this formal examination may be effectively begun on July 1, 1908, so far as this office is concerned. No further steps can be taken in this direction, however, until it is known what appropriation is to be placed at the disposal of the Commission for this purpose.

Mr. ALDRICH. The Senator from Michigan agrees with me then, does he?

Mr. SMITH. I agree this far and no further, that the twentieth section, to which the Senator refers, did give the Commission the power, but you have failed to give them the appropriation necessary to employ the force.

Mr. ALDRICH. I was simply saying that we gave them the power. I understood the Senator to deny that.

Mr. SMITH. Oh, I do not deny that. I deny that the Interstate Commerce Commission have any information upon which to base the value of railroad securities now.

Mr. ALDRICH. The matter of dereliction is on the part of Congress, if anywhere, for failing to make proper appropriation.

Mr. SMITH. I understand that the dereliction is with Congress. The selection of bonds now must be a discretionary matter, left entirely to the Secretary of the Treasury, as there is no machinery now by which these values can be ascertained.

Mr. President, I did not intend to occupy the time of the Senate so long. I only wished to record my objection to this provision, which is experimental in its character, and will be dangerous in its effect, possibly leading to a condition where you may be obliged to take the railroads and operate them in order to save the Government from loss.

I do not question the value of these securities. But, Mr. President, I question the wisdom of taking into our financial system quasi public corporation security of any kind. If there are two thousand millions of State, municipal, and county securities available for that purpose, why not exhaust those, thereby confining ourselves to strictly public obligations, in which every citizen is interested, where the indebtedness has been created for a public purpose under direct authority of law?

Mr. HOPKINS. Mr. President—

The VICE-PRESIDENT. Does the Senator from Michigan yield to the Senator from Illinois?

Mr. SMITH. Certainly.

Mr. HOPKINS. If he has followed the debate on this bill, the Senator will recognize the fact that the contention is made by some that the amount of State, county, and municipal bonds is not sufficient to afford by themselves a basis for emergency currency. Therefore, if this bill should become a law, and we were limited to them, their value would be greatly enhanced, and it would be made not only unprofitable for the banks to use the proposed emergency currency, but it would be made almost prohibitive. What does the Senator say upon that point? What is his judgment upon that?

Mr. McCUMBER. If I may be permitted, I will state that a corner might be more easily secured upon a small quantity of stock than upon a great quantity.

Mr. SMITH. Yes; but let me ask the Senator from Illinois if the effect of this bill, with this provision in it, is not to stimulate the railroad bond market, what is it for?

Mr. HOPKINS. The Senator does not answer my question. What is the Senator's judgment, whether these criticisms are correct or not, as to the amount and value of the municipal and State bonds—

Mr. SMITH. As to their amount?

Mr. HOPKINS. Are they sufficient, in the Senator's judgment, or are they not?

Mr. SMITH. If the impression of the Finance Committee is to be accepted as final, there will be very few of these securities presented for this emergency money anyway. The Senator from Illinois knows that the Treasury Department to-day is calling in large sums of money that it has deposited with various banks

of the country. Why? Because the emergency which caused that money to be deposited has passed, and it may safely be withdrawn now. Why was it that the Secretary of the Treasury refused—

Mr. HOPKINS. Will the Senator from Michigan allow me to make a suggestion right there?

The VICE-PRESIDENT. Does the Senator from Michigan yield to the Senator from Illinois?

Mr. SMITH. Certainly.

Mr. HOPKINS. I am in accord with the Senator from Michigan on the proposition he is now discussing, but what I want is the Senator's judgment as to whether the basis is broad enough by using State and municipal bonds for this emergency currency?

Mr. SMITH. Go one step further—broad enough for what? Broad enough to furnish how much money?

Mr. HOPKINS. Five hundred million or a thousand million dollars.

Mr. SMITH. Does the Senator believe we need that now?

Mr. HOPKINS. Not now.

Mr. SMITH. Well, then, if we do not need it, if we are not going to avail ourselves of the maximum provided by the bill, certainly there are enough municipal and other public securities for that purpose. Only last week \$50,000,000 of New York City bonds were sold in the city of New York. Municipalities are issuing these bonds all the time. If they are to be given the additional value of convertibility they will increase in value and, I think, prove ample for the purposes intended.

Mr. HOPKINS. Mr. President—

Mr. SMITH. If the Senator will permit me, there is no general market to-day for railroad bonds, and, Mr. President, there was no market for United States bonds in 1863, when Secretary Chase told the country that if they bought Government bonds they would be the basis of a currency issue by national banks. Does the Senator deny that it operated to accomplish just that purpose?

Mr. HOPKINS. Mr. President—

The VICE-PRESIDENT. Does the Senator from Michigan yield to the Senator from Illinois?

Mr. SMITH. Certainly.

Mr. HOPKINS. The Senator from Michigan asks why these bonds are placed in the bill. I think I am disclosing no secrets of the committee in saying that the purpose of the committee was to get bonds sufficient in amount so that no corner could be obtained by people dealing in bonds, and that any bank that desired this additional currency could go into the market and procure the bonds at the normal price. Under this bill the Secretary of the Treasury is not required to take any bonds at all; it is left entirely to his discretion; and none of the troubles the Senator from Michigan has presented here can possibly arise. It is impossible for the Government, under this bill, to become the owner of a railroad for this reason: That the Secretary of the Treasury is required, on page 5 of the bill, to acquire additional security or to make them change the securities.

Mr. SMITH. The Senator is mistaken.

Mr. HOPKINS. Let me read the provision.

Mr. SMITH. Wait a moment.

Mr. HOPKINS. Let me read it to the Senator.

Mr. SMITH. Just one moment. Section 1 of this bill prescribes the conditions upon which new circulation may be taken out; section 2 designates the security for the additional circulating notes and enumerates the class of bonds that will be acceptable, placing the supervisory responsibility with the Secretary of the Treasury.

Mr. HOPKINS. One moment. Let me read the provision in section 2 of the bill:

The Treasurer of the United States, with the approval of the Secretary of the Treasury, shall accept, for the purposes of this act, securities herein enumerated in such proportions as he may from time to time determine, and he may with such approval at any time require the deposit of additional securities, or require any association to change the character of the securities already on deposit.

Mr. SMITH. Ah!

Mr. HOPKINS. So the Senator can see that under that clause the Secretary is not required even to accept one of those bonds if, in his judgment, it is not safe security for the Government.

Mr. SMITH. Well, it is admitted that the Secretary of the Treasury has discretion to call for additional securities—

Mr. HOPKINS. Change the security.

Mr. SMITH. Under that bill he may blacklist any bond on deposit with him. He may say to the bank that deposited it, "You will have to take this up and substitute something else." He has very wide discretion, as he should have, but, Mr. President, all this is merely detail. My criticism is fundamental, and questions the wisdom or necessity of attempting by legisla-

tion to fix a new bond market for railroad securities, so intimately interwoven with Government affairs and so completely at variance with our past history.

Mr. ALDRICH. Mr. President—

The VICE-PRESIDENT. Does the Senator from Michigan yield to the Senator from Rhode Island?

Mr. SMITH. I do not object to a better bond market or a higher bond market, but I feel sure that it is not the function of government to create it by special legislation.

Mr. ALDRICH. I will wait until the Senator gets through.

Mr. SMITH. I think that the effect of the bill will be to discourage railroad construction instead of stimulate it. A new road, ever so valuable, connecting two or more important cities, modestly bonded and honestly managed, must go on five years' probation before its bonds will be received.

Mr. HOPKINS. Mr. President, will the Senator allow me right there—

The VICE-PRESIDENT. Does the Senator from Michigan yield to the Senator from Illinois?

Mr. SMITH. Certainly.

Mr. HOPKINS. By the terms of the bill, safeguards are thrown around State and municipal bonds precisely as they are thrown around the other class of bonds.

Mr. SMITH. Greater safeguards.

Mr. HOPKINS. I do not think so.

Mr. SMITH. Yes; because the State and municipal bonds must be within the constitutional limitation of the State or the municipality, and whose funded indebtedness does not exceed 10 per cent of the valuation of its taxable property.

Mr. HOPKINS. Does not the Senator think that it is wisdom on the part of the committee and of Congress, if we are to have legislation of this kind, to throw every safeguard around these bonds, so that there can be no possible default?

Mr. SMITH. I am not complaining of the safeguards around this class of securities. I believe the committee has abundantly safeguarded them. I do not believe there is a railroad in the State of Michigan that has for five years paid 4 per cent upon its capital stock, or that can avail itself of this law, and I do not believe the banks of our State hold the class of railroad securities this bill describes. If they avail themselves of this law they will be obliged to go into the open market and buy them, curtailing to just that extent the commercial business ordinarily transacted with merchants, manufacturers, and tradesmen.

Mr. President, I have not one word of criticism and much of praise for the great Senator from Rhode Island, whose attempt to relieve the country by the issue of emergency currency is most praiseworthy. I honor him for it, but I do not believe this provision is salutary. I think it will retard rather than assist his purpose.

The Senator may say with reference to my observation regarding the Philippine Railroad bonds that the interest on those bonds is guaranteed by the Government and that they stand in a different class from other securities which are left outside the effect of this legislation. Possibly that is so, but in the minds of the security holders this recognition would be very helpful.

Is there a Senator on this floor who is willing to say that the bonds that are so favored will not be benefited by it—that their value to the banks for investment will not be increased? I think not. Will not all the bonds that come within this law be sought for because they have the additional value of being available for Government notes of issue? To-day the Treasury Department is calling in its deposits from the various banks of the country. Why were those deposits not called in earlier? Because it was not prudent to do so, and the Secretary of the Treasury has shown splendid judgment in his management of this entire affair; but it is a vastly different thing for the Secretary of the Treasury to say to the banks of the country, "Bring your collateral, and we will let you have so much Government deposits," and for Congress to write into the statute that only such railroad bonds as have been issued by companies that have paid 4 per cent on their stock for five years may have any standing with the Treasury of the country—a virtual condemnation of every single security that does not come within the provisions of your law.

A great French financier and writer, only a little while ago, in the New York Evening Post indicated the French estimate of our bond-circulating money, saying, in very caustic language, that we were engaged as a Government in a bond-selling device at the expense of our monetary stability. I think it is a trifle paradoxical, if the Senator will permit me to say it, for us to sit here in solemn conclave planning employers' liability legislation and the abolishment of the doctrine of fellow-servant and contributory negligence—sitting here in solemn convocation to secure the passage of laws seeking to regulate interstate

commerce and in the same breath seeking to bolster up their securities. I regard it as a trifle paradoxical, to say the least, for us to sit here passing antirailroad legislation just as fast as the roll is called tending to diminish the profits and the earnings of these interstate carriers, and on the other hand attempting to bolster up these securities by this kind of legislation. I fancy that some time in the near future I will see the managers and operators of these railroads, whose securities are the basis of a currency issue, and hear their voices before the Committee on Interstate Commerce asking that the Government security be not injuriously affected or diminished by further hostile legislation.

We have not yet finished railroad regulation. The President, only a few days ago, in a solemn message to Congress told us "That in some form the Federal Government must exercise supervision over the financial operations of our interstate railroads," and, further, that "the Federal Government must assume a certain measure of control over the physical operation of railroads in the handling of interstate traffic." He has told us that it would be our duty to prescribe the class and form of their accounts; that their expenditures may properly be a matter of governmental supervision. Do not Senators believe that the time may come when, with our Treasury filled with bonds of railroad companies, we may be asked to halt in making further legislative attempts to regulate these companies, lest we jeopardize our financial security and alarm currency holders?

Then, again, can not Senators see that a railroad which pays 4 per cent upon its stock may, by political reversal in this country, be placed in the attitude of not being able to pay a dividend on its stock, and if it ever reaches the point where it can not pay a dividend, does not the Senate believe that the officers of these railroads which have been benefited by this legislation will some day come to Congress and ask us to strike off the dividend feature in order that their securities may still rest in the Treasury as a basis for circulation?

I firmly believe that if we embark upon this very questionable arrangement, we are opening the door very wide to the possibility of those very quasi-public corporations taking a hand in politics as their only means of defense.

I do not want to force railroad companies into politics. They are the creatures of the laws, and should neither make the law nor break it.

Is there a Senator upon this floor who does not know that the moment this law is passed every European investor in American railroad securities will ask his broker the question, "Are my bonds included in this legislation?" If they are not covered, those securities will gradually be returned to us, and will our people take them? No. Every Senator here knows why. Our people will not buy them because State legislation and Congressional action jeopardize them as a safe and sound investment.

Can not Senators see that if an adverse party should succeed us in the administration of affairs on the 4th day of next March, or at some future time—a party that does not believe in this legislation for the advantage of special interests—do not Senators believe that the repeal of this bill will be a bad blow to the transportation interests of this country overbalancing by considerable any small advantage now derived?

I am in favor of being perfectly fair with the corporations of this country. This bill is neither fair nor wise in its present form.

Mr. President, I will not trespass longer upon the Senate. I thank you sincerely for your courtesy and your consideration. I have spoken against this bill because I believe it to be harmful, because I believe it to be the first step of a serious character in the direction of Government ownership of railroads, and that possibility, remote as it may be, I would, if I had the power, avoid. I do not believe in the Government usurping the functions of individual enterprise. It is the individual initiative that has lifted our people above the world's throng to the high standard they now enjoy. While our neighbors across the sea, the great Russian Empire, are seeking by revolution and otherwise to rid themselves of government paternalism whereby everything originates with the state and nothing with the individual, while Russia has failed utterly to demonstrate that that is the wise or the just policy toward its own people and is endeavoring to throw it off as a danger to the future of the country, is it not a little singular that we should drift toward the dangers they would now avoid?

Mr. President, I was very reluctant to say anything upon this measure, realizing that one new in the Senate should not lightly set aside its historic traditions, but should be content to permit those of larger experience to guide the affairs of state. No one, sir, has a higher appreciation of the whole-hearted devotion of the Senator from Rhode Island to his country than I. I would not for one moment impugn his motives or attack by innuendo

his honorable purpose. But, sir, I come here as the representative of my State, mindful of my own unworthiness. I would not prove myself undeserving of the esteem of my colleagues or the respect of the people I serve. But if my best judgment told me that a measure of importance here pending was not for the best interests of all the people of the country, I should feel myself unworthy to bear the commission which they have given me if I did not record my solemn protest against it.

I protest against this clause in the bill as being unnecessary. I protest against it as being unwise. I protest against it because it introduces into our monetary system a commercial security over which the Government has no control. I protest against it because it is a most unfair discrimination against billions of dollars' worth of securities that do not come within its scope.

Mr. President, I hope it will not pass. We have difficulties enough to overcome as a country, while our party can not afford to enter the next campaign handicapped with a proposition to introduce into our national monetary system the securities of railroad companies.

I thank you, Mr. President and the Senate, for doing me the honor to listen to my remarks, not formally, but informally expressed, fragmentary and disconnected as they are. I simply desire to avoid for our Government what I believe will be a most harmful experiment now being urged for the first time in the financial history of our country.

Mr. ALDRICH obtained the floor.

Mr. GALLINGER. I demand the regular order.

Mr. ALDRICH. I hope the Senator from New Hampshire will give me two or three minutes.

Mr. GALLINGER. I will.

Mr. TILLMAN. Mr. President—

The VICE-PRESIDENT. Does the Senator from New Hampshire withdraw his demand for the regular order?

Mr. GALLINGER. I will withdraw it until the Senator from Rhode Island gets through.

Mr. TILLMAN. Mr. President—

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from South Carolina?

Mr. ALDRICH. Mr. President, the provisions of the pending bill—

Mr. TILLMAN. Mr. President—

Mr. ALDRICH. I hope the Senator will permit me to proceed.

Mr. TILLMAN. I will; but I want to have a little understanding. We all know that the Senator from Michigan [Mr. SMITH] has occupied the floor out of order, and that he could have been called down, but no one did, as the Senator wanted to make his speech and we wanted to hear him. He has made a very fine speech, and we are glad to have heard him. But there are other things pending which will go by the board at 2 o'clock unless the Senator who has charge will agree that we may take another hour, or whatever time may be necessary, for morning business.

Mr. ALDRICH. I am perfectly willing that the time for morning business shall be extended. I shall not take more than two or three minutes at this time. If the Senator from South Carolina does not desire me to speak—

Mr. TILLMAN. I want to hear the Senator from Rhode Island. This is a very beautiful exchange of compliments between our friends on the other side, and I should like to hear it. The only reason why I did not interrupt the Senator from Michigan and call for the regular order was that I did not want him to miss the opportunity to make his speech, and I want the Senator from Rhode Island to have a full opportunity to answer, and all I ask is that when 2 o'clock comes my little resolution shall not go by the board.

Mr. ALDRICH. I shall be perfectly willing to lay aside the unfinished business at 2 o'clock for any purpose which the Senator from South Carolina has in mind.

Mr. President, the provision of the pending bill in regard to railroads and railroad bonds has been passed over at my suggestion. It was passed over with a statement on my part that the committee had under consideration various amendments to the provision which they would present in due time. I do not make this statement, however, for the purpose of finding fault with any criticism which any Senator sees fit to make to the bill as its now stands. I do not intend to take the time of the Senate now to go at any considerable extent into the argument upon the question whether railroad bonds should be accepted as security for the notes which we propose to issue. I must say, however, that I was greatly puzzled at the argument of the Senator from Michigan [Mr. SMITH]. Possibly when I come to read it in print, and have time to consider it, its inconsistencies may not be as apparent as they seem to me now. The Senator

from Michigan objects to the use of railroad bonds as security, and his principal argument against such use is that we have excluded certain classes of railroad bonds from acceptance under the provisions of the bill. He would have us accept, as I understand it, all railroad bonds—

Mr. SMITH. No; I would accept none.

Mr. ALDRICH. The Senator would accept none, and he gives as a reason for accepting none that we have unwisely restricted the character of the bonds to be accepted by the bill to a small amount, and that not more than two or three hundred millions can be so received. The Senator insists that we have improperly discriminated against certain bonds, therefore that the use of two or three hundred millions out of a total of six or seven thousand millions will imperil the liberties of the people and that the Government of the United States may be forced to take possession of the railroads.

The bonds accepted must be first-mortgage bonds. They must be the bonds of railroad companies that have paid dividends on all their stock to the extent of 4 per cent per annum for five years. The Senator from Michigan says there are too few of those bonds in existence. The Secretary of the Treasury is not obliged under the provisions of this proposed act to accept any railroad bonds.

Mr. SMITH. I am sure the Senator from Rhode Island misunderstood me. I did not say there were few in existence. What I did say was that compared with the mileage of the railroads of the country this class of securities represented a very small proportion of that mileage.

Mr. ALDRICH. I stated for the committee in the argument which I submitted to the Senate two or three weeks ago the reasons which led the committee to think that the basis of State and municipal bonds was not sufficiently broad for the purpose of securing the currency which we proposed to issue. As the Senator from Illinois [Mr. HOPKINS] has said, that provision of the bill was inserted because of criticisms which were made in the committee and outside of it that we would unduly enhance the value or the price of State and municipal bonds if we did not accept other bonds for security.

Now, first-mortgage railroad bonds are made by the law of every State in the Union which has legislation on the subject acceptable as first-class security for savings-bank investment. They are acceptable as the best possible collateral by every financial institution in the country.

The Senator from Michigan himself says that there can be no question as to the value of the security or the safety of the bonds. But he says we ought not to go outside of State and municipal bonds. That, of course, is a question which every Senator must decide for himself. Whether railroad bonds are or are not accepted will not interfere with the purpose of the bill.

I will suggest to the Senator from Michigan that it was not the main purpose of the committee to inquire into what the effect of this legislation should be either upon banks or upon railroads. We are legislating for the people of the United States, and we are not here to consider primarily the effect this legislation will have upon the railroads of Michigan or the people who own them.

Mr. SMITH. Mr. President—

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from Michigan?

Mr. ALDRICH. Certainly.

Mr. SMITH. If the Senator will permit me, it was not necessary to state the effect of this legislation upon the bond market. It is apparent.

Mr. ALDRICH. What is apparent?

Mr. SMITH. It is very apparent that the purpose is to increase the value of railroad securities.

Mr. ALDRICH. How apparent?

Mr. SMITH. The object of the bill speaks for itself.

Mr. ALDRICH. The railroads of the United States are the only corporations in existence that are under Government control and regulation. Their accounts and everything connected with them are subject to Government regulation. They are quasi-public institutions, and the committee believed that if they were to go outside of State, municipal, and Government bonds they must include first-class railroad bonds. It is not and should not be the controlling purpose of this legislation to improve the value of railroad bonds or of State bonds or municipal bonds. Our first duty is to give the people of this country a safe and sound currency, if we are to have an emergency currency, and to take the best securities for such issues which we can find, whatever they may be. If this legislation shall have the effect of giving a wider market for or a better value to the railroad securities of the United States, and the Government can do it without any loss to itself or any danger of damage to

itself, then we should not hesitate to legislate simply because the securities would have a better status than they have now.

Mr. SMITH. Mr. President—

The PRESIDING OFFICER (Mr. CARTER in the chair). Does the Senator from Rhode Island yield to the Senator from Michigan?

Mr. ALDRICH. Certainly.

Mr. SMITH. If the Senator will permit me, I should like to ask him a question. Just at this particular time when there is really no necessity for additional circulation, when Government deposits are being withdrawn from the banks because they may safely be withdrawn, when the reserves in the banks of the country are perfectly safe, when our monetary system is not in the least degree jeopardized, does the Senator think the effect will not be merely to stimulate the price of the securities which this bill affects?

Mr. ALDRICH. The Senator evidently does not understand at all the purpose of the bill.

Mr. BEVERIDGE. We here can not hear the Senator from Rhode Island.

Mr. ALDRICH. I say the Senator from Michigan certainly fails to understand the purpose of the committee in reporting this legislation. In opening the debate on this bill I made the statement that it must be apparent to everybody that there is no demand at this moment for emergency circulation. The question of withdrawals of public money by the Treasury from the banks has nothing to do with the question. These withdrawals do not reduce the amount of money in circulation in the United States. None of the conditions to which the Senator from Michigan has alluded are affected by the relative amount of currency outstanding. It is not a question whether or not there is an additional currency issue demanded now, but the point is that when the emergency arrives, whether it shall be tomorrow, or next day, or next week, or next year, or ten years from now—I hope it will be deferred ten years or twenty or thirty—we should be prepared for it; that it is the paramount duty of Congress to furnish the necessary machinery which will be effective when the demand arises.

Mr. McCUMBER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from North Dakota?

Mr. ALDRICH. Certainly.

Mr. McCUMBER. May I ask the Senator a question? If I understand it correctly, the same character of bonds were under the law of 1907 made available as security for deposits from the Treasury to the banks. I want to know whether making them available for that purpose has to any degree given other bonds a black eye or depreciated their market value because these were given a special value, if they were given any, by reason of being made security for deposits by the Treasury?

Mr. ALDRICH. Certainly not.

Mr. BEVERIDGE. I should like to ask the Senator from Rhode Island a question. I shall be glad to hear the Senator's answer to the point made by the Senator from Michigan. It impressed the whole Senate, I think, and that is this: Here is a railroad bond given as the basis of currency issued. Of course it must be the most secure possible. Therefore the bill provides that it shall not only be the bond of a railroad company which has paid interest on its bonds, but also one which shall have paid dividends of a certain per cent on its stock for four or five years.

The Senator from Michigan very clearly pointed out that on account of mutations in business or a change in politics or many other things the earnings of a road might fall off, and that a situation was entirely conceivable where the Government itself in order to realize upon the security for its emergency circulation would have to foreclose upon the road itself.

I say that I will be very glad to hear the Senator answer that question. Whether this bill increases the securities of railroads is not the question. It is a question of having a perfectly safe and sound currency. But the question has been raised, in my mind, by the Senator from Michigan whether or not a basis for emergency currency of securities which themselves might depreciate by reason of changes in business or politics or anything else is the surest foundation for emergency currency. I do not know the answer. I presume the Senator does.

Mr. TELLER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from Colorado?

Mr. ALDRICH. I do.

Mr. TELLER. I should like to suggest to the Senator from Indiana that under this bill—

The PRESIDING OFFICER. It is impossible for the Senator from Colorado to be heard at the desk.

Mr. TELLER. It is only a question of protecting the Government when it issues the bills to the banks. That is all there is of it.

Mr. BEVERIDGE. That merely changes the form of the question.

Mr. TELLER. It is not a question of the protection of the currency issued.

Mr. BEVERIDGE. The credit of the Government is back of the currency, to be sure, but in order to insure the Government the deposit of bonds is provided for as security. That merely changes the form of the question.

Mr. ALDRICH. I think I can answer the Senator's question. In the first place, the Secretary of the Treasury determines the character and amount of any bonds to be received as security for circulation. It is fair to assume that the Secretary of the Treasury will not accept any bonds of a questionable character or when any doubt can be raised of their security. Second, the amount of currency issued is limited to 75 per cent of the market value of the bonds. In the third place, the Secretary of the Treasury can at any time change the securities—every one of them—and require additional securities to be deposited. In the next place, the Government of the United States, which assumes the redemption of these notes, has ample security aside from the bonds. When the Government redeems these notes it sends them to the bank for redemption. The bank either has to go into bankruptcy or redeem them. The Government has next the securities deposited, which the Treasury is required to sell at public auction under the law, in case of default or insolvency. The Government does not foreclose mortgages. It has back of and beyond all this a prior lien upon all the assets of the bank.

Now, does the Senator from Indiana think there is any question about the security of the Government? As the Senator from Wyoming [Mr. WARREN] suggests to me, it has also the liability of every stockholder to double the amount of his stock. Does the Senator from Indiana think there is any question about the security of the Government of the United States under those conditions?

Mr. SMITH. Mr. President.—

The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from Michigan?

Mr. ALDRICH. Certainly.

Mr. SMITH. If it will not interrupt the Senator, I should like to say right here that, very wisely, the bill provides that the Government shall take over the legal title to these bonds; in other words, the Government becomes the mortgagee. Now, if the Government becomes the mortgagee, can not the Senator from Rhode Island imagine such a condition of affairs, for instance, as with the Mercantile National Bank, in New York, where the bank has deposited these bonds with the Government and the indorsement will absolutely fail? Can not the Senator imagine a condition, without being too remote or exaggerated, where the railroad company may default upon its dividends and may not be able to place new securities? What is there to prevent the Government from foreclosing its title to save loss to the people?

Mr. ALDRICH. Because—

Mr. SMITH. One moment further—

Mr. ALDRICH. I will be glad to answer that question very promptly.

Mr. SMITH. Another may hold some of this same bond issue and begin proceedings making the Government a party in spite of itself.

Mr. ALDRICH. All this would be very well if it were not for the fact that it is the duty of the Comptroller of the Currency to sell these bonds at public auction immediately.

Mr. BEVERIDGE. Suppose he did not? Suppose there is another holder—

Mr. ALDRICH. Suppose he did not?

Mr. BEVERIDGE. Pardon me; the point the Senator from Michigan makes can not be disposed of so quickly. Suppose these were in default of interest, and the holders of other bonds of the same issue should bring suit for foreclosure; they would have to make the United States a party to their suit.

Mr. ALDRICH. Before they were sold, you mean?

Mr. BEVERIDGE. Certainly.

Mr. BAILEY. I wish to ask the Senator from Indiana and the Senator from Michigan if they will not join me then in repealing the law, if it be a law. I think it is not now the law; and they ought to join me then in condemning the present practice of the Secretary of the Treasury in receiving these railroad bonds as a deposit for Government money, for reports here will show that he has without any authority of the law

been receiving for months and even for years these very railroad bonds, subject to all the criticisms which have been made. I shall expect the Senator from Michigan and the Senator from Indiana at least to join me in disapproving such a practice.

Mr. ALDRICH. Mr. President, I think I will have to resume the floor.

Mr. GALLINGER. Mr. President, I rise to a point of order.

Mr. ALDRICH. Let me go on for a few minutes.

Mr. GALLINGER. The Senator was going to take only two or three minutes twenty-five minutes ago.

Mr. BAILEY. The Senator from New Hampshire comes readily to the relief of the Secretary of the Treasury, who has been doing what I say he ought not to do.

Mr. GALLINGER. Mr. President, I have been waiting for something over an hour to do a little morning business. This question of the bond issue is to come up at 2 o'clock in regular order, if we had gone along under the rules of the Senate. I have no objection to waiting a few minutes longer, but I think, as there is other business before the Senate, it is a very practical thing for us to do it.

Mr. ALDRICH. I was about to say, in answer to the suggestion of the Senator from Indiana, that it is conceivable, of course, that the Government of the United States might find itself in the possession of bonds of a road that went into the hands of a receiver, that went into bankruptcy, and there would have to be a foreclosure of the mortgage. I repeat, it is the duty of the Comptroller of the Currency to sell these bonds, and the duty would be equally mandatory whether the road was in the hands of a receiver or not. In any event the Government of the United States, holding a small fraction of these bonds, would not take over the railroad. The property would be sold, I take it, and the proceeds would be paid to the bondholders, and the deficiency in this case, whatever there was, would have to be paid by the banks.

Mr. BEVERIDGE. It would be exactly in the position of any other creditor.

Mr. ALDRICH. But the Government as a creditor would not and could not take the property.

Mr. BEVERIDGE. The receiver under the orders of the court would administer the property for the benefit of the bondholders, of which the Government would be one.

Mr. ALDRICH. And sell it?

Mr. BEVERIDGE. Just as the court says. It might sell it or administer it.

Mr. ALDRICH. The court would administer it or sell it, and not the Government.

Mr. BEVERIDGE. Most undoubtedly the court would administer it for the benefit of all the bondholders, including the Government.

Mr. ALDRICH. I say it is not a conceivable condition where the court would turn that property over to the Government of the United States.

Mr. BEVERIDGE. Such a condition is conceivable, if the Senator wants to go into that, although I am not in this debate. I merely asked this question for clarification. But since the Senator mentioned it, is not a case conceivable where the Government of the United States held the bonds and would have to buy the property to protect its interests, just as the holders of bonds have had to do in numberless instances?

Mr. ALDRICH. It does not have to protect itself at all. It sells the bonds and falls back upon the bank for the deficiency.

Mr. BEVERIDGE. It probably would not sell the bonds after the receivership. It would find a very poor market for the bonds if it did.

Mr. ALDRICH. It must sell them.

Mr. BEVERIDGE. During a receivership it would only sell them if it wanted to sell them at a loss.

Mr. ALDRICH. It is the plain duty of the Government officers to sell these bonds at public auction in case of default, and there can be no delay or hesitancy on their part.

Mr. BAILEY. Will the Senator from Rhode Island tell the Senate if all this might not happen under the present practice of the Treasury Department?

Mr. ALDRICH. Absolutely.

Mr. BAILEY. Except as to bond sales under the law.

Mr. ALDRICH. They are held under a different provision of law. There is no definite authorization or direction requiring the sale of the bonds held as security for deposits, although they can undoubtedly be sold under the general pledge of title.

Mr. BAILEY. If this ought not to be in the bill, then the Secretary of the Treasury ought not to have accepted these railroad bonds as security for Government deposits.

Mr. ALDRICH. The Senator from Texas is entirely right; and it is the plain duty of Congress, if they think that railroad

bonds ought not to be received by the Government as a security for deposits, to say so.

Mr. BAILEY. I will not agree that it is the plain duty of Congress, for I believe the law is plain. The law says they shall secure them by United States bonds and otherwise. The Secretary of the Treasury reads it, that they shall secure them by United States bonds or otherwise. There is a vast difference between "and" and "or," even when a Republican Secretary of the Treasury construes the law.

Mr. ELKINS. Mr. President, I call for the regular order.

CHOCTAW-CHICKASAW CITIZENSHIP COURT.

The PRESIDING OFFICER. The Chair lays before the Senate a resolution coming over under the rule, which will be read.

The Secretary read the resolution submitted by Mr. TILLMAN on Friday last, as follows:

Whereas there appears in the CONGRESSIONAL RECORD of February 11, 1908, at page 1934, in relation to the Choctaw-Chickasaw citizenship court, the following statement:

"It is alleged that the members of that court were bribed and received as a consideration for their decisions a part of the fee paid these attorneys. Counsel for claimants are reliably informed that the Secretary of the Interior now has in his possession positive proof of the bribery of certain members of that court, said proof setting forth the amount paid certain members of that court, the time and place the payments were made, and the manner of the payments. This evidence has been in the possession of the Secretary of the Interior for more than three months and yet no investigation, so far as counsel for claimants have been able to ascertain, has been inaugurated and no proceedings have been instituted calculated to bring these guilty persons before the bar of justice, although the time in which they can be criminally prosecuted is rapidly expiring." Therefore,

Resolved by the Senate, That the Secretary of the Interior be, and he is hereby, directed to inform the Senate what foundation there is for such charges, and to transmit to the Senate all correspondence, affidavits, evidence, papers, and information pertaining or appertaining thereto.

Mr. GALLINGER. I offer the following as a substitute for the resolution.

The PRESIDING OFFICER. The substitute will be read by the Secretary.

The Secretary read as follows:

Resolved, That the Secretary of the Interior be, and he is hereby, directed to inform the Senate what foundation, if any, there is for the charge that members of the Choctaw-Chickasaw court were bribed and received as a consideration for certain decisions rendered by them a part of the fee paid to the attorneys in certain cases.

The PRESIDING OFFICER. The question is on agreeing to the substitute offered by the Senator from New Hampshire.

Mr. TILLMAN. Mr. President, why does the Senator from New Hampshire object to having the Secretary send all the evidence in the case, the facts, the correspondence, and reports?

Mr. GALLINGER. What I object to, Mr. President, is the long preamble which recites certain things have been alleged. I think if we get the information called for in the substitute resolution, it will disclose whether or not there is a basis for calling for further information. If it appears that there is any basis for these alleged charges, then the Senator can follow it up with a resolution calling for additional information and the papers in the case.

Mr. TILLMAN. I can not conceive that the Secretary of the Interior will do more than reply that he has no such information. If you omit to call on him to furnish the reports in the case, he will not send the necessary evidence or the basis for additional inquiry. I think the Senator from New Hampshire himself will recognize that his substitute is in the nature of how not to do it.

Mr. GALLINGER. It is not so intended, I will say to the Senator, Mr. President.

Mr. TILLMAN. Of course I recognize that the Senator's honesty of purpose is as great as my own, and I hope none of us want to do more than get at the facts. If there are no facts, then the Secretary of the Interior can tell us so, but at the same time if there is any correspondence or any evidence in the Department, he can send that along with the statement that he has no evidence to submit.

Mr. GALLINGER. Then I think the Senator and I can get an agreement in reference to this question.

Mr. TILLMAN. I think so, too.

Mr. GALLINGER. If the Senator will drop out the "whereas" and simply amend the resolution so that it will read: That the Secretary of the Interior be, and he is hereby, directed to inform the Senate what foundation there is for the charges that relate to the matter.

Mr. TILLMAN. And all the balance. Put that in, too.

Mr. OVERMAN. Will the Senator from South Carolina yield to me to submit an amendment?

Mr. TILLMAN. With pleasure.

Mr. OVERMAN. I move to add:

Resolved (second), That the Attorney-General be, and he is hereby, directed to transmit to the Senate the evidence taken by the Choctaw-

Chickasaw citizens' court in relation to the proper compensation to be allowed the attorneys for the Indians, now on file in the Department of Justice.

I move the amendment by reason of the fact that I have just received a letter from one of the court, which I ask may be read.

The PRESIDING OFFICER. The letter will be read by the Secretary.

The Secretary read as follows:

115 COURT SQUARE,
Greensboro, N. C., March 1, 1908.

Hon. LEE S. OVERMAN, Washington, D. C.

MY DEAR SENATOR: I see in this morning's newspapers that Senator TILLMAN has introduced a resolution in the Senate calling upon the Secretary of the Interior for information and papers relating to certain charges of bribery against the judges of the Choctaw and Chickasaw citizenship court, of which I was a member.

I inclose copy of a telegram which I have sent to the Secretary of the Interior, urging him to do what he can to further a full and speedy investigation of these charges, and I hope this will be done.

I write you to say that the charges are wholly without foundation, and, in justice to myself and the other members of the court, I trust you will insist upon a full investigation.

The articles in the newspapers this morning refer to a statement or speech delivered in the House on February 10 by Representative STEPHENS of Texas, of which I had no knowledge until this morning. This statement is in the CONGRESSIONAL RECORD of Tuesday, February 11, 1908, beginning at page 1918, second column. You will notice that Mr. STEPHENS, under leave to extend his remarks, printed in the RECORD a brief filed by the attorneys of the court claimants against whom our court decided, and on page 1934, about the middle of the second column, will be found the language copied from the brief and embraced in Senator TILLMAN'S resolution. This language reflects very seriously upon my character and integrity, and as the charges are utterly false I insist upon an investigation.

The citizenship court heard evidence for quite a while as to the proper compensation to be allowed the attorneys for the Indians. A copy of this evidence is on file in the Department of Justice, and includes the testimony of many prominent lawyers, among the number Chief Justice Hill, of Arkansas, a native of this State. All of the testimony was to the effect that the attorneys were entitled to receive more than twice as much as the court allowed them. The duty was devolved upon the court by act of Congress to fix their compensation, and the court found they had a written contract, by the terms of which they were entitled to receive 9 per cent of the amount recovered, which would have given them nearly one and one-half million dollars, while the court disregarded the contract and fixed their compensation at one-half that amount.

This evidence was taken by a stenographer and reduced to writing, and will be found on file in the Department of Justice, and in justice to the court Senator TILLMAN'S resolution should be amended so as to call for this evidence.

Very truly yours,

SPENCER B. ADAMS.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The SECRETARY. A bill (S. 3023) to amend the national-banking laws.

Mr. ALDRICH. I ask that the unfinished business may be laid aside temporarily.

The PRESIDING OFFICER. In the absence of objection, it will be so ordered.

Mr. FORAKER. Mr. President, a few days ago my attention was called to what appeared in the CONGRESSIONAL RECORD of February 11, which has just been referred to in the letter that has been read. Inasmuch as it amounted to a specific charge affecting the integrity of the members of that court, one of whom was a citizen of Ohio, and inasmuch as the charge also was that the Secretary of the Interior, Mr. Garfield, had had this testimony in his possession for the past three months without taking any action, I felt it my duty to write to Secretary Garfield calling his attention to the statement and requesting him to inform me whether or not there was any truth in the charge.

Yesterday morning there came to me in the mail an answer from Mr. Garfield. I intended to bring it here, so that I might read it in connection with the offering of this resolution and put it in the RECORD, but, unfortunately, I forgot to bring it. However, as soon as the matter was called to my attention I dispatched a riding page for the letter and I will have it presently and I want to put it in the RECORD as soon as it comes. The Senator from Wyoming [Mr. WARREN] tells me that he has a copy of the letter. It will obviate the necessity of sending after the letter itself if the Senate will allow me to put this copy in the RECORD as a substitute.

I wish to state that in this letter from Secretary Garfield he said that there was no truth in the charges, and that he had so informed the gentlemen who had put the statement in the RECORD.

Mr. TELLER. Mr. President—

The VICE-PRESIDENT. Does the Senator from Ohio yield to the Senator from Colorado?

Mr. FORAKER. In this connection, before being interrupted, if the Senator will allow me, I will read Mr. Garfield's letter.

Mr. TELLER. All right; go ahead.
Mr. FORAKER. It is as follows:

SECRETARY'S OFFICE,
DEPARTMENT OF THE INTERIOR,
Washington, D. C., February 29, 1908.

DEAR SIR: I beg to acknowledge your letter of February 28, calling my attention to the following statement:

"It is alleged that the members of that court were bribed and received as a consideration for their decisions a part of the fee paid these attorneys. Counsel for claimants are reliably informed that the Secretary of the Interior now has in his possession positive proof of the bribery of certain members of that court, the time and place the payments were made, and the manner of the payments. This evidence has been in the possession of the Secretary of the Interior for more than three months and yet no investigation, so far as counsel for claimants have been able to ascertain, has been inaugurated and no proceedings have been instituted calculated to bring these guilty persons before the bar of justice, although the time in which they can be criminally prosecuted is rapidly expiring."

This statement is an extract from a brief submitted by certain attorneys in connection with an Indian case, and was printed in the RECORD by Mr. STEPHENS of Texas. This statement, I notice, is the subject-matter of a resolution introduced in the Senate by Senator TILLMAN yesterday.

I advised Mr. STEPHENS that the statement was false, and am pleased to give you the same information I gave him. No evidence was filed in this office or with me as alleged in the statement. Several months ago a man came to my office and made statements regarding what he claimed to be the improper conduct of a certain firm of attorneys and members of the former citizenship court, but as he declined to allow his name to be used, would not reduce his statements to writing, and declined to substantiate his statements, I gave the matter no further consideration.

Very truly, yours,

JAMES RUDOLPH GARFIELD,
Secretary.

Hon. J. B. FORAKER,
United States Senate.

Now, the Senator from Wyoming asks me to also read this letter. I did not advise the Secretary what I wanted the information for, and he may have drawn an incorrect deduction from the fact that I had written him on the subject.

The Senator from South Carolina introduced his resolution in the language of the statement that is quoted in this letter from the Secretary. I suggest to the Senator from New Hampshire that in the preparation of his substitute he should call for information also upon the specific point that would interest the Secretary of the Interior, whether or not he has had this information, as charged, in his possession for a period of three months, not taking any action whatever to bring the guilty parties, if there are any, to justice. In other words, this is a sort of double-barrel charge, one against the Secretary of the Interior and the other against the members of that court, and I think whatever resolution we pass (and I think it has reached such a stage now that a resolution should be passed) should apply to both charges, and call for information upon both. That is all I care to say about it.

Mr. WARREN. It was late in the afternoon of Friday when this resolution was presented. I could not distinguish well from the reading what was the language of the Senator from South Carolina and what the language of the quotation, but it seemed to me unnecessarily severe. I discovered afterwards that the offensive part was a quotation. Desiring to know upon what foundation the charges rested, I asked the Secretary of the Interior what, if anything, there was in it, so that I might to-day be prepared to make some reply or give some reason for my objection. He stated that he had had an inquiry from the Senator from Ohio [Mr. FORAKER], which he had just answered, and that instead of writing another letter he would send me a copy, so that I could have the information I desired. That accounts for the letter which I handed to the Senator, and which I would not have used had he not expressed a desire to have it.

Mr. FORAKER. Yes; I used that instead of the original.

Mr. TELLER. Mr. President, the preamble of the resolution contains the charge copied from the RECORD. That is simply to give notice to the Secretary when he comes to answer the resolution what the charge was. This is what the resolution proposes to say:

That the Secretary of the Interior be, and he is hereby, directed to inform the Senate what foundation there is for such charges—

Charges such as are contained in the preamble—

and to transmit to the Senate all correspondence, affidavits, evidence, papers, and information pertaining or appertaining thereto.

I want to say to the Senator from New Hampshire that the offense is not having taken part of the money that the lawyers got. The question is whether the court took any money at all. It is quite immaterial whether they got it from the lawyers or whether they got it from the plaintiffs in the controversy or anybody else.

Mr. President, just a word or two about the history of this matter. Some years ago a court was authorized to inquire whether certain people were entitled to go on the rolls in the

Cherokee and Chickasaw country. That was determined by the court by putting a very large number of people on the rolls. It was alleged, when that had been done, that there was some improper work done by this court. It was a court which I understand was entitled to render a judgment which was appealable from if the proper authorities charged down there had seen fit so to do.

They came to Congress and inaugurated a system of legislation perhaps unheard of before, and I think it escaped general attention, although I believe one or two Senators objected to it here at the time. But the legislation authorized the appointment of a special court of three individuals, if you call it a court, which I doubt whether it ought to be called. They were authorized to review this decision of a court and to pass upon all the questions that the court had passed on, and if they did not think the court had properly passed upon them, then to reverse the action of the court. When this special commission or citizens' court, as it was called, got through they had reversed the action of the other court and had stricken from the rolls a large number of people whom the court had put on.

Mr. President, in the first place, there are some charges against the first court. I think it was three or four years ago that this decision of the citizens' court was made. There have been charges against that court. I know absolutely nothing about the charges except the public rumor and public reports, and I know nothing about the three men who compose it. I do not even know the names of the men who compose the court. I can see no reason why the resolution ought not to be passed, and we will then get from the Secretary whatever he has on the subject.

If there has been injustice done to people, it is probably too late and it has passed beyond our opportunity to remedy any evils or any errors they have committed; but I think it would be well to let the Secretary give us all the facts, at least; and I think the men who composed that court ought to want the facts as well as anybody else. It is very unfortunate when the public get an idea that our courts are corrupt, whether they be special or regular. I do not suppose that anybody who is the friend of the three judges will object to a fair presentation of the facts. The resolution does not confine the investigation to the question whether they took a part of the attorneys' fees, but whether they took any bribe at all.

Mr. GALLINGER. The language the Senator objects to I took from the original resolution.

Mr. TELLER. No; not from the resolution, from the preamble.

Mr. GALLINGER. From the preamble. I was about to state it—

It is alleged that the members of that court were bribed and received as a consideration for their decisions a part of the fee paid these attorneys.

I took the words found in my substitute from the preamble, and I supposed that was the charge. I want to modify the substitute resolution I offered, and I trust the modified resolution will be accepted by the Senator from South Carolina:

Resolved, That the Secretary of the Interior be, and he is hereby, directed to inform the Senate what foundation, if any, there is for the charges which appear in the CONGRESSIONAL RECORD of February 11, 1908, that certain members of the Choctaw-Chickasaw court were bribed in connection with certain decisions rendered by them, and to transmit to the Senate all correspondence, affidavits, evidence, papers, and all other information in his possession pertaining thereto; also to inform the Senate whether he has had in his possession, as alleged, for more than three months certain evidence in connection with the case and has ordered no investigation whatever.

Mr. TELLER. Or at any other time. Do not confine it to three months.

Mr. GALLINGER. Very well, we will have that stricken out. Let it read:

Whether he has had in his possession, as alleged, certain evidence.

That does not confine it to three months. I submit that as a substitute for the original resolution.

Mr. OVERMAN. Will the Senator object to including my amendment as a second resolution?

Mr. GALLINGER. Not at all.

Mr. OVERMAN. I do not see why both should not be embodied in one resolution and a copy sent to each Cabinet officer. They would all get the same paper at one time then.

Mr. TILLMAN. Mr. President—

The VICE-PRESIDENT. Will the Senator from South Carolina let the substitute resolution, as modified by the Senator from New Hampshire, be stated?

Mr. TILLMAN. Let it be read, please.

The VICE-PRESIDENT. The modified substitute will be stated.

The Secretary read as follows:

Resolved, That the Secretary of the Interior be, and he is hereby, directed to inform the Senate what foundation, if any, there is for the charge which appears in the CONGRESSIONAL RECORD of February 11, 1908, that certain members of the Choctaw-Chickasaw court were bribed in connection with certain decisions rendered by them, and to transmit to the Senate all correspondence, affidavits, evidence, papers, and all other information in his possession pertaining thereto; also to inform the Senate whether he has had in his possession, as alleged, certain evidence in connection with the case and has ordered no investigation of the matter.

Mr. TILLMAN. Mr. President, I want to say just a word. I occupy the very important position as chairman of the Committee on the Five Civilized Tribes. Some Senators here are disposed to forget that, and my friend from Minnesota [Mr. CLAPP], who is not in his seat, has appeared at times a little anxious to monopolize all Indian matters for his committee. But being chairman of the Committee on the Five Civilized Tribes and supposedly charged with their affairs, in some small degree at least, a good many things come to me in that connection, and I feel the responsibility to those Indians, in a way.

I have been somewhat active in criticising the various schemes for spoliation and manipulation of their affairs which I have watched go through here in the last three or four years, and when this accusation was published in the RECORD by a very "sane and safe" Congressman from Texas [Mr. STEPHENS], a man who is not given to sensationalism or anything of that sort, I felt that the charge ought not to be allowed to rest without some further ventilation at least; so I offered the resolution on Friday which is now under consideration. This morning I offered another resolution relating to Indian affairs, which my friend from New Hampshire [Mr. GALLINGER] objected to being considered, and it has gone over. It deals, on somewhat similar lines, with the rascality, fraud, bribery, and other deviltry which the lawyers who are dealing with Indian affairs are apparently constantly on the alert to slip through here and to slip through down there.

That resolution, I will say, related to the charge that the Attorney-General had ordered the district attorney in that Indian Territory court to quash an indictment and removed him because he would not obey, and then, after he was reinstated, at the instigation or through the instrumentality of the Senator from Texas [Mr. BAILEY], ordered the record of the court changed so as to state that the indictment had been withdrawn or quashed before the State government became vitalized, so that the matter would be considered *res adjudicata*.

Mr. GALLINGER. Mr. President—

The VICE-PRESIDENT. Does the Senator from South Carolina yield to the Senator from New Hampshire?

Mr. TILLMAN. With pleasure.

Mr. GALLINGER. I am sure the Senator did not mean to imply in any way that when I asked that the resolution should go over under the rule I desired to prevent its consideration.

Mr. TILLMAN. Not at all. The Senator from New Hampshire has always been entirely courteous to me and has always been liberal and fair in endeavoring to get light on any subject we needed light on.

Mr. GALLINGER. It was a long resolution and was read when the Senate was in some confusion. I did not at all understand it, and I thought it might well go over for a day, so that we might see it in print.

Mr. TILLMAN. I had no objection in the world to that, and I would not have said a word about it, except for the fact that the matter has come in this shape. Unfortunately, the Senator from New Hampshire is not satisfied with that, either, so that, without any malice aforethought on his part, he is apparently defending, in a way, or postponing, or acting as a buffer between investigation and these Indian frauds.

Mr. GALLINGER. The Senator, Mr. President, if he will permit me a moment, is quite mistaken in my purpose.

Mr. TILLMAN. I say I absolve the Senator from New Hampshire from any evil purpose whatever. He merely wanted to read the long whereases and preambles to the resolution.

Mr. GALLINGER. That is all. I think it is rather a dangerous business to be legislating with whereases or by whereases.

Mr. TILLMAN. But the resolution is the vitals of the proposition, and the whereases only give an excuse for the resolution.

Mr. GALLINGER. Precisely; but the Senator will pardon me for saying that I have not intended to be, nor have I ever allowed myself to be, a buffer in matters of legislation.

Mr. TILLMAN. A what?

Mr. GALLINGER. A buffer in matters of legislation.

Mr. TILLMAN. A buffer. Oh!

Mr. GALLINGER. That was the Senator's language.

Mr. TILLMAN. If it is offensive to the Senator, I will take back the word "buffer," for I would not offend or wound the Senator from New Hampshire under any consideration.

Mr. GALLINGER. It is not at all offensive, only the word does not apply to me; that is all.

What I want to do in this matter, as I desired to do in the matter of the resolution the Senator offered this morning, is to get the facts, and if there are guilty persons to have them investigated and punished. I will cooperate with the Senator along that line to the extent of my ability.

Mr. TILLMAN. I do not doubt that in the slightest, and therefore I am endeavoring in this way to see whether we need an investigation. That was the reason I offered the resolution calling for the papers in the case. I only threw in the suggestion in regard to this additional evidence in the way of a copy of the indictment which the Attorney-General ordered to be quashed, although the grand jury found a true bill, which was rather a remarkable thing. I suppose the Attorney-General will be able to explain why it was done, but still I do not like this way of interfering in Congress or in Washington with the proceedings of the courts. I have seen several cases come up here in litigation affecting Indians' rights in which Congress took a hand and stepped in and ordered the litigation stopped. I have had occasion to believe that some of those things were done in the interest of swindling and rascality and the robbery of the Indians.

I do not know anything about this special case, but, as I said, being chairman of the Committee on the Five Civilized Tribes, I get these things more by way of accident than malice or design, and I do feel that these civilized Indians, or the "late civilized" Indians, or whatever they may be, citizens or what not, are somewhat under, not my supervision at all, but rather wards of mine in a way.

The two points involved here, Mr. President, are these: Has the Secretary of the Interior neglected his duty in not paying attention to charges that have been made by somebody? He, of course, will give us the information and the character of the information which came to him, whether there is anything in it worth while or not. I, of course, have not any idea that the Secretary of the Interior is a man of that kind, and he will explain, doubtless to our entire satisfaction, why he took no steps, as his letter in a way already explains; but the essential charge here, the one I am peculiarly interested in, is whether or not this court, which was created ostensibly for a very reasonable and fair purpose, namely, to pass upon the question of Indian citizenship, or, rather, upon the citizenship of certain parties, was tampered with or not. We are told that several thousand persons, who have as much right to be called "Indians" as the two distinguished Senators from Kansas and Oklahoma, were denied participation in the rich lands of those tribes down there, and by some hook or crook, either right or wrong, their claims to citizenship or Indian rights were thrown out, and that in order to obtain that result the court was bribed.

As some of these men are under indictment here for another piece of rascality, that lends some color to the necessity for an investigation, and as one of the judges has appealed to the "dear Senator" from North Carolina to get the fullest possible investigation of the charges, I do not see why anybody should object. Therefore I am perfectly willing that the resolution which the Senator from New Hampshire [Mr. GALLINGER] has drawn as a substitute should go to the Secretary of the Interior, and if the answer of the Secretary is not satisfactory perhaps we shall pursue the case further.

Mr. GALLINGER. That is right.

Mr. WARREN. I am entirely in sympathy with the Senator from South Carolina in desiring to protect the business of his committee and the rights of Indians that may be affected in connection with the resolution. It was in no spirit of opposition to his desire that I objected to the consideration of the resolution on Friday night, and I hope the substitute will be adopted. The original was unnecessarily severe in its preamble. Such allegations as those set forth in the preamble serve no good purpose. It is true that the Senator simply quoted from what was said at another place in this building, but I am sorry it was said there, as it would seem that there was no occasion for it.

Mr. TILLMAN. What has become of the amendment of the Senator from North Carolina [Mr. OVERMAN]? I suggest that that amendment had better go over and come up in the morning along with the other resolution introduced by me, calling upon the Department of Justice for certain information. I think the amendment would be more appropriate on that resolution.

Mr. OVERMAN. That is all right.

The VICE-PRESIDENT. The Senator from New Hampshire has accepted the amendment by the Senator from North Carolina. The question now is on the amendment proposed by the Senator from New Hampshire as modified.

The amendment as modified was agreed to.

The resolution as amended was agreed to.

OCEAN MAIL SERVICE.

Mr. GALLINGER. Mr. President, I call attention to the special order. It was agreed by unanimous consent that the so-called "shipping bill" should be taken up after the morning business this morning. I want to say, Mr. President, that the Senator from Nevada [Mr. NEWLANDS] will be prepared to discuss the bill on Thursday next, and the Senator from North Carolina [Mr. SIMMONS] will follow at his early convenience. No one is present to speak on the bill at this time, and I rise to ask unanimous consent that it may be considered after the routine business on Thursday next, which will be the 5th day of the month.

The VICE-PRESIDENT. The Senator from New Hampshire asks unanimous consent that the special order set for to-day, being the bill (S. 28) to amend the act of March 3, 1891, relating to ocean mail service, be changed to come in after the routine morning business on Thursday, March 5, at the same hour. Is there objection? The Chair hears none, and that order is made.

MATERIAL AND EQUIPMENT FOR THE PANAMA CANAL.

Mr. FRYE. I ask unanimous consent that Order of Business 204, being the joint resolution (S. R. 40) to provide for the transportation by sea of material and equipment for use in the construction of the Panama Canal, may be assigned for consideration on Monday next immediately after the conclusion of the routine morning business.

The VICE-PRESIDENT. The Senator from Maine asks unanimous consent that the joint resolution named by him be taken up for consideration immediately after the close of the routine morning business on Monday, March 9. Is there objection? The Chair hears none, and that order is made.

PUBLIC BUILDING AT PERU, IND.

Mr. BEVERIDGE. I ask unanimous consent for the present consideration of the bill (S. 3160) providing for the erection of a public building in the city of Peru, Ind.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Buildings and Grounds with amendments. The first amendment was, in section 1, page 1, line 6, after the word "used," to strike out "as and;" in line 7, after the word "building," to strike out "as a place for holding United States courts," and in line 10, before the word "thousand," to strike out "seventy-five" and insert "eighty," so as to make the section read:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to cause to be erected upon the site already selected and purchased by him in the city of Peru, Ind., a building to be used for a post-office building, and for other purposes of the Federal Government at the said city of Peru, Ind., which said building shall cost, complete, not to exceed the sum of \$80,000.

The amendment was agreed to.

The next amendment was, to strike out section 2, as follows:

SEC. 2. That the plans, specifications, and full estimate for said building shall be made and approved according to law before work thereon shall be commenced. Until this is done none of the money so appropriated shall be used.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PUBLIC BUILDING AT LANDER, WYO.

Mr. CLARK of Wyoming. I ask unanimous consent for the present consideration of the bill (S. 2938) to provide for the erection of a public building at Lander, Wyo.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Buildings and Grounds with an amendment, on page 1, line 11, after the word "dollars," to strike out "which said sum of \$100,000 is hereby appropriated for said purpose out of any money in the United States Treasury not otherwise appropriated."

The amendment was agreed to.

Mr. CLARK of Wyoming. Mr. President, this bill was first reported at the last session. Since that time United States courts have been established at the town of Lander. I ask that the bill be amended, in line 7, before the words "United States," by inserting the words "United States courts" and a comma.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 1, line 7, before the words "United States," it is proposed to insert the words "United States courts" and a comma, so as to read:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to cause to be erected at Lander, Wyo., on a site already owned and possessed by the United States, a suitable building for the use and accommodation of the United States courts, United States land office, post-office, and other Government offices in the city of Lander, etc.

The amendment was agreed to.

Mr. WARREN. Mr. President—

The VICE-PRESIDENT. Does the senior Senator from Wyoming yield to the junior Senator from Wyoming?

Mr. CLARK of Wyoming. Certainly.

Mr. WARREN. Noticing the amendment of my colleague, which I hope will be adopted, I desire to say that in reporting the bill the Committee on Public Buildings and Grounds named the amount which my colleague had used in making up his bill, because at that time there was not a court established at Lander. The court bill has passed since, and I hope the amendment will be agreed to.

Mr. CLARK of Wyoming. I move further to amend the bill by inserting, after the word "hundred," in line 11, the words "and sixty-five."

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 1, line 11, after the word "hundred," it is proposed to insert "and sixty-five," so as to read:

Not to exceed the sum of \$165,000.

Mr. CLAY. Mr. President—

The VICE-PRESIDENT. Does the Senator from Wyoming yield to the Senator from Georgia?

Mr. CLARK of Wyoming. Certainly.

Mr. CLAY. With the Senator's permission, the bill as it came from the Committee on Public Buildings and Grounds proposed to appropriate \$100,000, did it not?

Mr. CLARK of Wyoming. It did.

Mr. CLAY. And the Senator proposes to amend it by adding \$65,000?

Mr. CLARK of Wyoming. I do, for a reason which I was about to state. The estimate of the Secretary of the Treasury, which I have before me, gives the amount of space that will be needed and an estimate of the amount that will be necessary to provide for that space. Since the bill has been reported from the committee, I will state to the Senator, the town has been made a sitting place for the United States circuit and district courts, and in that immediate vicinity a very large percentage of the United States business in that State originates, no other court being within 300 miles of the place.

Mr. CLAY. That state of facts might justify a change in the amount of the appropriation, but I was going to say to the Senator that the Committee on Public Buildings and Grounds I know are very careful about always appropriating enough in such bills, to say the least.

Mr. CLARK of Wyoming. I will say to the Senator that I would not have offered the amendment except after consultation with the chairman of the committee.

Mr. CLAY. I will not raise any objection to it.

The amendment was agreed to.

Mr. CLAY. Since the amendment has been agreed to, I will take occasion to say that I believe we ought not to attempt to amend a bill in the Senate that has been reported by the Committee on Public Buildings and Grounds by adding fifty or sixty thousand dollars. An amendment of that kind ought always to be referred to the Committee on Public Buildings and Grounds, and that committee ought to consider it and send it back to the Senate. I believe it to be a bad practice to offer such amendments on the floor of the Senate, and have them agreed to without their ever having been considered by the Committee on Public Buildings and Grounds.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PUBLIC BUILDING AT ROCHESTER, N. H.

Mr. GALLINGER. I ask unanimous consent for the present consideration of the bill (S. 906) to provide for the purchase of a site and the erection of a public building thereon at Rochester, in the State of New Hampshire.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Buildings and Grounds with an amendment, on page 2, line 2, after the words "sum of," to strike out "one hundred" and insert "eighty;" and in line 3, after the word "dollars," to strike out "which said sum of \$100,000 is hereby appropriated for said purpose out of any moneys in the United States Treasury not otherwise appropriated," so as to make the bill read:

Be it enacted, etc. That the Secretary of the Treasury be, and he is hereby, authorized and directed to acquire, by purchase, condemnation, or otherwise, a site and cause to be erected thereon a suitable building, including fireproof vaults, heating and ventilating apparatus, elevators, and approaches, for the use and accommodation of the United States post-office and other Government offices in the city of Rochester and State of New Hampshire, the cost of said site and building, including said vaults, heating and ventilating apparatus, elevators, and approaches, complete, not to exceed the sum of \$80,000.

Proposals for the sale of land suitable for said site shall be invited by public advertisement in one or more of the newspapers of said city of largest circulation for at least twenty days prior to the date specified in said advertisement for the opening of said proposals.

Proposals made in response to said advertisement shall be addressed and mailed to the Secretary of the Treasury, who shall then cause the said proposed site and such others as he may think proper to designate to be examined in person by an agent of the Treasury Department, who shall make written report to said Secretary of the results of said examination and of his recommendation thereon and the reasons therefor, which shall be accompanied by the original proposals and all maps, plats, and statements which shall have come into his possession relating to the said proposed sites.

The building shall be unexposed to danger from fire by an open space of at least 40 feet on each side, including streets and alleys.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PROBATE FEES IN THE DISTRICT OF COLUMBIA.

Mr. GAMBLE. I ask unanimous consent for the present consideration of the bill (S. 3507) to fix fees and costs in the probate court of the District of Columbia, and to provide for the collection and payment of the same, and for other purposes.

The VICE-PRESIDENT. The Senator from South Dakota asks unanimous consent for the present consideration of a bill, which will be read for the information of the Senate.

The Secretary proceeded to read the bill.

Mr. CULBERSON. Mr. President, I dislike to object to the present consideration of the bill, but I suggest to the Senator in charge of it that it appears to be a bill intended to reform the fee system of the probate court of the District of Columbia. It is a long bill and apparently of very general importance. I think it would be very well to let it go over. I submit that suggestion to the Senator without making formal objection to consideration of the bill.

Mr. GAMBLE. I do not think there will be any objection to that. The bill was considered very fully by the Committee on the District of Columbia and the committee had before it on the hearing Judge Gould, who is the presiding judge of the court, and the register of wills. The fee system, as now provided by law, is very, very unsatisfactory, and it was thought that this modification should be made so that the burden of the expense would be borne more justly and fairly by those coming before the court. As it is now under the fee law the great burden of the cost falls upon the small estates.

Of course if there is any objection to the present consideration of the bill, I am not in a position to insist upon its consideration. I know there is quite a desire among those interested in the bill that it should be promptly considered in order that it may go to the other House.

Mr. CULBERSON. It is a long bill, and I think it is impossible for Senators present to understand it from merely hearing it read. Speaking for myself I have never been able to read it. It manifestly is intended to reform the fee system to a degree in the District. The legal question possibly ought to have gone to the Committee on the Judiciary, although I make no question about it. The Committee on the District of Columbia is as well qualified as any committee of this body to consider the matter.

Mr. GALLINGER. Will the Senator from Texas permit me?

Mr. CULBERSON. Certainly.

Mr. GALLINGER. I will say it is in the line of the simplification, rather than a reform, of the law. The present system is antiquated and burdensome to the office, and in the opinion of the court and the register of wills, as well as the committee, this modification is very desirable.

Mr. CULBERSON. I will ask the Senator whether the general average of fees is reduced or increased?

Mr. GALLINGER. There is a slight increase, but there is an equalization to a much greater extent than the present system provides for. The bill will doubtless go over, and if the Senator from Texas will turn to a letter from the register of wills, which I presume has been printed in the report, he will get exactly the existing status and see, I think, very clearly the necessity for this change.

Mr. CULBERSON. I will endeavor to read it.

Mr. GALLINGER. Let the bill go over.

Mr. CULBERSON. I repeat that I do not desire to be put in the attitude of objecting to the present consideration of the bill, but I shall be glad if it can go over.

Mr. GAMBLE. We have no desire to insist upon the present consideration of the bill, and are perfectly willing that it may go over, retaining its place on the Calendar.

The VICE-PRESIDENT. The bill will go over, retaining its place on the Calendar.

PUBLIC BUILDING AT ROCK SPRINGS, WYO.

Mr. WARREN. I ask unanimous consent for the present consideration of the bill (S. 649) to provide for the purchase of a site and the erection of a public building thereon at Rock Springs, in the State of Wyoming.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Buildings and Grounds with amendments, in section 1, page 1, line 7, after the word "apparatus," to strike out "elevators;" in line 11, after the word "apparatus," to strike out "elevators;" and in line 1, on page 2, to strike out "one hundred" and insert "eighty-five," so as to read:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to acquire, by purchase, condemnation, or otherwise, a site and cause to be erected thereon a suitable building, including fireproof vaults, heating and ventilating apparatus, and approaches, for the use and accommodation of the United States post-office and other governmental offices in the city of Rock Springs and State of Wyoming, the cost of said site and building, including said vaults, heating and ventilating apparatus, and approaches, not to exceed the sum of \$85,000.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ENTRY OF ARID AND SEMIARID PUBLIC LANDS.

Mr. SMOOT. I ask unanimous consent for the present consideration of the bill (S. 1543) to authorize entry of arid and semiarid public lands.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Lands with amendments.

The first amendment was, in section 1, line 3, before the word "under," to strike out "may" and insert "shall;" in line 5, after the word "prescribe," to insert "in accordance with the terms of this act;" in line 7, after the word "semiarid," to insert "nonmineral," and in line 8, after the word "lands," to strike out "devoid of potable water," so as to make the section read:

That the Secretary of the Interior shall, under and pursuant to such regulations, terms, and conditions as he may prescribe, in accordance with the terms of this act, permit not more than 320 acres of such arid or semiarid nonmineral, nontimbered, nonirrigable, unappropriated, unreserved, surveyed public lands, as he may designate, to be entered in a compact body by any person qualified to make a homestead entry.

The amendment was agreed to.

The next amendment was, in section 2, page 1, line 12, after the word "before," to strike out "the proper officers" and insert "some officer authorized to administer oaths under the homestead laws," and on page 2, line 3, after the word "he," to insert "is a bona fide resident of the State or Territory in which the land proposed to be entered is located and," so as to read:

SEC. 2. That every person applying to enter lands under this act shall make and subscribe before some officer authorized to administer oaths under the homestead laws and file in the proper land office an affidavit that he is the head of a family, or is over 21 years of age; that he is a bona fide resident of the State or Territory in which the land proposed to be entered is located and is a citizen of the United States, etc.

The amendment was agreed to.

The next amendment was on page 2, line 18, after the word "thereof," to strike out "or the timber thereon," so as to read:

That he is not acting as agent for any person, corporation, or syndicate in making such entry nor in collusion with any person, corporation, or syndicate to give them the benefit of the lands entered, or any part thereof; that he does not apply to enter the same for the purpose of speculation.

The amendment was agreed to.

The next amendment was, in section 4, page 3, line 15, after the word "heirs," to insert "personal representatives;" in line 16, after the word "by," to insert "his or their oath and by the oath of;" in line 22, after the word "section," to strike out "2287" and insert "2288," and on page 4, line 1, after the word "law," to insert "but notice of the making of such proof shall be made and published in the manner provided by the homestead laws for the publication of notices of final proof," so as to make the section read:

SEC. 4. No certificate, however, shall be given or patent issued for any lands entered under this act until the expiration of five years from the date of such entry, and if at the expiration of such time or at any time within two years thereafter, the person making such entry, or his heirs, personal representatives, or devisees, proves by his or their oath and by the oath of two credible witnesses to the satisfaction of the Commissioner of the General Land Office that he, or they, have actually and in good faith cultivated the lands entered by him as required by this act, and makes affidavit that no part of such land has been alienated except as provided in section 2288 of the Revised Statutes of the United States, he, if at that time is a citizen of the United States, shall

be entitled to a patent as in other cases provided by law, but notice of the making of such proof shall be made and published in the manner provided by the homestead laws for the publication of notices of final proof.

The amendment was agreed to.

The next amendment was, in section 5, page 4, line 4, after the words "Sec. 5," to strike out "That all persons making entry under this act shall be required to pay the same fees and commissions as are required under the homestead laws" and insert "That the fees and commissions on all entries under this act shall be uniformly the same as those charged under the homestead law for a maximum entry at the minimum price," and in line 15, after the words "United States," to insert "but no entry will be canceled because of the entryman's failure to reside on the lands covered thereby," so as to make the section read:

SEC. 5. That the fees and commissions on all entries under this act shall be uniformly the same as those charged under the homestead law for a maximum entry at the minimum price, and all entries made under this act shall be subject to contest as provided by law relating to homestead cases for illegal inception, abandonment, or for failure to comply with the requirements of law, and upon satisfactory proof thereof shall be canceled and the lands and all moneys paid under such entries shall be forfeited to the United States, but no entry will be canceled because of the entryman's failure to reside on the lands covered thereby.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PUBLIC BUILDING AT FRANKLIN, LA.

Mr. FOSTER. I ask unanimous consent for the present consideration of the bill (S. 5363) to provide for the purchase of a site and the erection of a public building thereon at Franklin, La.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Buildings and Grounds with an amendment, to insert after line 9 the following:

The building shall be unexposed to danger from fire by an open space of at least 40 feet on each side, including streets and alleys.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to acquire, by purchase, condemnation, or otherwise, a site and cause to be erected thereon a suitable building for the use and accommodation of the United States post-office in the city of Franklin, State of Louisiana, the cost of said site and building not to exceed the sum of \$50,000.

The building shall be unexposed to danger from fire by an open space of at least 40 feet on each side, including streets and alleys.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BALTIMORE AND WASHINGTON TRANSIT COMPANY.

Mr. WHYTE. I ask unanimous consent to call up the bill (S. 3405) to amend an act to authorize the Baltimore and Washington Transit Company, of Maryland, to enter the District of Columbia, approved June 8, 1896.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PUBLIC BUILDING AT MISSOULA, MONT.

Mr. DIXON. I ask unanimous consent for consideration at this time of the bill (S. 2244) to provide for the erection of a public building at Missoula, Mont.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Buildings and Grounds with an amendment, on page 2, line 1, after the words "sum of," to strike out "two hundred" and insert "one hundred and thirty," and after the word "thousand," to strike out the remainder of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to cause to be erected on the site purchased pursuant to the act of June 30, 1906, a suitable building, with fireproof vaults therein, for the accommodation of the United States post-office, land office, forestry officials, and other Government offices at the city of Missoula, in the county of Missoula and State of Montana. The plans and specifications and full estimates for said building shall be previously made and approved according to law, and shall not exceed for the building complete the sum of \$130,000.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REORGANIZATION OF THE CONSULAR SERVICE.

Mr. LODGE. I ask unanimous consent for the present consideration of the bill (S. 4112) to amend an act entitled "An act to provide for the reorganization of the consular service of the United States," approved April 5, 1906.

The VICE-PRESIDENT. The Senator from Massachusetts asks unanimous consent for the present consideration of a bill, which will be read for information.

The Secretary proceeded to read the bill.

Mr. CULBERSON. I suggest that general bills had better go over.

Mr. LODGE. If the Senator from Texas has any objection to the bill being read and amended, I will let it go over.

Mr. CULBERSON. I have no objection to that.

Mr. LODGE. There are only one or two amendments made. I will say to the Senator it is the unanimous report of the committee, and I do not think there is any objection at all to the bill. It cures some defects in existing law.

Mr. CULBERSON. Let the bill be read for the information of the Senate.

The VICE-PRESIDENT. The bill will be read for the information of the Senate.

Mr. CULBERSON. And I will withhold the objection until that has been done.

The Secretary read the bill.

Mr. CULBERSON. I notice that this is a bill "to amend an act entitled 'An act to provide for the reorganization of the consular service of the United States' approved April 5, 1906," less than two years ago. In view of my experience with legislation since I have been in the Senate I do not hesitate to assume that the fees have been increased in this new bill. If my assumption is correct, I will ask the Senator in general terms what increase there is in the consular fees.

Mr. LODGE. Consular fees are all abolished by the act of 1906 and all consulates were put on a salary basis. All fees were abolished—notarial, etc.

Mr. CULBERSON. What increase is there in salaries by the bill?

Mr. LODGE. The net result of this bill is a decrease of expenditures of about a thousand dollars. There are twenty-eight consulates that are closed and there are seventeen new ones created. The balance has been used to change the classification of certain consuls who are underpaid.

When the bill was framed two years ago the only information the committee or the Department had to go upon was the existing salary plus the fees and the general business of the office. That bill created, as the Senator will remember, five consular inspectors, and since that time all the consulates have been thoroughly inspected and reports made. So the Department is now able to make a proper and, I think, a permanent classification.

Their reports have resulted in the abolition of twenty-eight consulates which I think were totally unnecessary. They are all stated in the report and the reasons given, as well as for the creation of the seventeen new ones. No consul will be dropped out owing to the abolition of the consulates. The eleven consuls will not be dropped out, because there have been enough vacancies which have been held back to provide for all the twenty-eight consuls—that is, assuming they are good men. The net result of those changes, as I have said, is a decrease in expense of a thousand dollars.

The committee went over the bill at several sessions with the greatest possible care and proposed only three amendments, those mentioned—Melbourne, Limoges, and Gibraltar. It appeared, on examination, that they ought to be moved. The report, as I have stated, is a unanimous report. The committee has given a good deal of attention to the matter, and I think it is as thoroughly done as it is possible to do it—that is, I think the salaries are as equitably adjusted for the time being. Of course, business must vary at different points, but I think they are as accurately adjusted as is possible under the circumstances.

Mr. CULBERSON. Mr. President, this bill is so unusual in the reduction of the expenses of the Government that I shall not object to its consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with amendments.

The first amendment of the Committee on Foreign Relations was, under the subhead "Consuls," on page 2, line 22, before the word "Lyon," to insert "Melbourne," so as to make the clause read:

Class 3, \$5,000: Amsterdam, Bremen, Dawson, Belfast, Havre, Johannesburg, Kobe, Lourenço Marquez, Melbourne, Lyon.

The amendment was agreed to.

The next amendment was, on page 3, line 12, before the word "Mannheim," to insert "Limoges," so as to make the clause read:

Class 6, \$3,500: Alexandria, Apia, Barmen, Barranquilla, Basel, Berne, Bluefields, Bradford, Chemnitz, Chunking, Cologne, Dalny, Durban, Edinburgh, Flume, Geneva, Georgetown, Guadelajara, Limoges, Mannheim, Montevideo, Nagasaki, Odessa, Palermo, Port Elizabeth, Prague, Quebec, Rangoon, Rheims, Rimouski, Rome, St. Petersburg, Saloniki, Sherbrooke, Vladivostok.

The amendment was agreed to.

The next amendment was, on page 3, line 19, after the word "Ghent," to insert "Gibraltar," and in line 22, before the word "Nantes," to strike out "Melbourne," so as to make the clause read:

Class 7, \$3,000: Aix la Chapelle, Aleppo, Barbados, Batavia, Belgrade, Burslem, Calais, Calgary, Carlsbad, Colombo, Corinto, Dunfermline, Florence, Frontera, Ghent, Gibraltar, Hamilton (Ontario), Harver, Harput, Huddersfield, Iquitos, Iquique, Jerusalem, Karachi, Kehl, La Guaira, Leghorn, Liege, Madras, Malaga, Managua, Nantes, Nassau, Newcastle (New South Wales), Newcastle (England), Port Antonio, Punta Arenas, Port au Prince, Riga, Sandakan, Progreso, Seville, St. John (New Brunswick), St. Michaels, St. Thomas (West Indies), San Jose, Sheffield, Swansea, Sydney (Nova Scotia), Tabriz, Tampico, Tamsui, Trieste, Trinidad.

The amendment was agreed to.

The next amendment was, on page 4, line 21, after the words "Fort Erie," to strike out "Gibraltar," and in line 22, after the words "La Paz," to strike out "Limoges," so as to make the clause read:

Class 9, \$2,000: Aguascalientes, Asuncion, Bagdad, Bristol, Campbellton, Cape Gracias, Cape Haitien, Cartagena, Ceiba, Charlottetown, Cornwall, Durango, Ensenada, Fernie, Fort Erie, Gorée-Dakar, Grenobel, Guadeloupe, Hermosillo, Hobart, La Paz, Manzanillo, Maskat, Messina, Moncton, Niagara Falls, Patras, Port Louis, Puerto Cabello, Puerto Plata, Rouen, Saigon, St. Johns (Quebec), St. Pierre, St. Stephen, Salina Cruz, Saitillo, Sierra Leone, Sivas, Stavanger, Suva, Tahita, Tapachula, Turin, Turks Island, Venice.

The amendment was agreed to.

Mr. LODGE. I move to insert as a new section what I send to the desk.

The VICE-PRESIDENT. The Senator from Massachusetts proposes an amendment which will be stated.

The SECRETARY. It is proposed to insert as a new section:

SEC. 2. This act shall take effect on the 1st day of July, 1908.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CUSTOMS LAUNCH FOR LOS ANGELES, CAL.

Mr. FLINT. I ask unanimous consent for the present consideration of the bill (S. 520) for the purchase or construction of a launch for the customs service at and in the vicinity of Los Angeles, Cal.

There being no objection, the Senate as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Commerce with an amendment, to insert after the word "dollars," in line 8, the following proviso:

Provided, That the Secretary of the Treasury may use said boat at any customs port in the United States, as the exigency of the service may require.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to purchase or have constructed for the customs service a suitable launch, of such motive power as may be determined by the Secretary of the Treasury, for use at and in the vicinity of Los Angeles, Cal.; and the cost thereof shall not exceed the sum of \$10,000: *Provided*, That the Secretary of the Treasury may use said boat at any customs port in the United States, as the exigency of the service may require.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PERSONAL DAMAGE CASES IN NEW MEXICO.

Mr. NELSON. I ask unanimous consent for the immediate consideration of the joint resolution (S. R. 37) disapproving certain laws enacted by the legislative assembly of the Territory of New Mexico.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution which disapproves and declares null and void and of no effect an act of the legislative assembly of New Mexico, entitled "An act establishing the law and procedure in certain cases," passed over veto March 11, 1903, which act reads as follows:

Be it enacted by the legislative assembly of the Territory of New Mexico:

SECTION 1. Hereafter there shall be no civil liability under either the common law or any statute of this Territory on the part of any person

or corporation for any personal injuries inflicted or death caused by such person or corporation in this Territory, unless the person claiming damages therefor shall within ninety days after such injuries shall have been inflicted make and serve upon the person or corporation against whom the same is claimed, and at least thirty days before commencing suit to recover judgment therefor, an affidavit which shall be made before some officer within this Territory who is authorized to administer oaths, in which the affiant shall state his name and address, the name of the person receiving such injuries, if such person be other than the affiant, the character and extent of such injuries in so far as the same may be known to affiant, the way or manner in which such injuries were caused in so far as the affiant has any knowledge thereof, and the names and addresses of all witnesses to the happening of the facts or any part thereof causing such injuries as may at such time be known to affiant, and unless the person so claiming such damages shall also commence an action to recover the same within one year after such injuries occur, in the district court of this Territory in and for the county in which such injuries occur, or in and for the county of this Territory where the claimant or person against whom such claim is asserted resides, or in event such claim is asserted against a corporation, in the county in this Territory where such corporation has its principal place of business; and said suit after having been commenced shall not be dismissed by plaintiff unless by written consent of the defendant filed in the case, or for good cause shown to the court; it being hereby expressly provided and understood that such right of action is given only on the understanding that the foregoing conditions precedent are made a part of the law under which right to recover can exist for such injuries, except as herein otherwise provided.

SEC. 2. Whenever any person or corporation shall file a petition in the district court of this Territory for the county in which said petitioner lives, or, if a corporation, in the district court for the county in which such corporation has its principal place of business, stating in effect that such petitioner is informed and believes that some party named in said petition claims that he is entitled to damages from said petitioner for personal injuries inflicted in this Territory upon the party named in said petition, or for personal injuries inflicted upon or death caused to some other person for which such party claims to have a cause of action against said petitioner, and stating as near as may be the general character of such injuries, and the manner and the date said party claims they were inflicted, and the place where he claims they were inflicted, as near as petitioner knows or is informed as to such facts, and praying that the said party may be required to appear in said court and file therein a statement of his cause of action in the form of a complaint against said petitioner, summons shall issue out of said court and be served and returnable as other process, commanding and requiring the said party named in said petition to appear in said court and file such statement in the form of a complaint against said petitioner, if he has to make, and upon such complaint being filed by such party as required, the defendant named therein may demur or answer the same and such further pleading had as the parties may be entitled to, or as may be meet and proper as in other cases of a similar character, and from thenceforward such further proceedings shall be had in such cause as in other cases, and the same shall be determined upon its merits, and final judgment, subject, however, to appeal or writ of error, shall be rendered therein either for the petitioner named in said complaint or for the adverse party, and if the court finds the petitioner guilty of any of the wrongs, injuries, or trespasses complained of against him in said statement such damages shall be assessed against the said petitioner as the law and the facts may require, in the same manner as though said cause had been instituted by the filing of said statement as a complaint.

In event said party complained of in said petition, after being duly served with such summons, shall fail or refuse to appear or file his said statement as required herein, judgment shall be rendered by default against him and in favor of the petitioner as in other cases, and thereupon the court shall try and determine the issues raised by such petition, including the question as to whether or not the petitioner is liable to said party on account of any of the matters or things stated in said petition in any sum of money whatsoever, and, if so, in what amount, and final judgment shall be rendered in accordance with the facts and the law, and such judgment as the court may render shall be final and conclusive upon the question of the liability or nonliability of said petitioner to said party, and of the amount of the liability.

SEC. 3. It shall be unlawful for any person to institute, carry on, or maintain any suit for the recovery of any such damages in any other State or Territory, and upon it being made to appear to the court in which any proceeding has been instituted in this Territory, as herein provided, that any such suit has also been commenced, or is being maintained in any other State or Territory contrary to the intent of this act, it shall be the duty of the court to set down for hearing and try and determine the proceeding so pending in this Territory as expeditiously as possible upon such short notice to the other party thereto or his attorneys as the court may direct; and for the purpose of trying the same said court shall have the power to compel the parties thereto to plead or answer on such short day as it may determine; and in event the same is triable by jury it shall be the duty of the court, upon motion, to change the venue thereof to such county in said district as in the opinion of the court will afford an opportunity for the most speedy hearing; but in event such action is not triable by jury, then the court shall immediately proceed to try and determine the same, giving such reasonable notice as it may determine, to the parties or their attorneys, at any place in the Territory which the court may designate, and witnesses may be compelled by subpoena to attend such place personally, from any part of the Territory, and testify, as at present, at such time and place. The institution of any such suit in any other State or Territory shall be construed by the court as a waiver upon the part of the party so instituting the same of the right of trial by jury in the case pending in the courts of this Territory.

SEC. 4. Whenever it shall be made to appear to the district court of this Territory for the county in which petitioner or plaintiff lives, by any petition filed under section 3 hereof, or by a supplemental petition, or by an original complaint filed for that purpose, that petitioner or plaintiff fears or has good reason to fear that any other person is threatening or contemplating instituting suit in some other State or Territory to recover damages against petitioner or plaintiff for personal injuries inflicted or death caused in this Territory, or that he has already instituted and is then maintaining such a suit, it shall be the duty of the court, upon such bond as the court may require being given, to issue its injunction pendente lite restraining such party from instituting or maintaining such suit in any court sitting in any other State or Territory, and, at the final hearing, if such facts are found by the court to be true, the court shall make such

injunction perpetual; and at the final hearing in all cases instituted under the provisions of section 3 hereof the party complained of in the petition shall be perpetually enjoined from further instituting or maintaining any suit or action to recover damages by reason of any of the matters or things set up in said petition.

Sec. 5. This act shall not apply to cases in which the persons or corporation against whom damages for personal injuries are claimed can not be duly served with process in this Territory.

Sec. 6. Nothing herein contained shall be construed as in any way preventing anyone in this Territory claiming to have a right of action for any such damages from compromising such claim.

Sec. 7. All acts and parts of acts and laws in conflict with this act are hereby repealed, and this act shall be in effect from and after its passage.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

PUBLIC BUILDING AT LEWISTON, IDAHO.

Mr. HEYBURN. I ask for the present consideration of the bill (S. 123) to establish a Government building at Lewiston, county of Nez Perce, State of Idaho.

The Secretary read the bill and, there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill was reported from the Committee on Public Buildings and Grounds with an amendment, to strike out all after the enacting clause and to insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to cause to be erected on a site already purchased by the Government a suitable building, including fireproof vaults, heating and ventilating apparatus, and approaches, for the use and accommodation of the United States post-office and other Government offices in the city of Lewiston and State of Idaho, the cost of said building, including said vaults, heating and ventilating apparatus, and approaches, complete, not to exceed the sum of \$85,000.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide for the erection of a public building at Lewiston, county of Nez Perce, State of Idaho."

INLAND WATERWAY FROM MOBILE BAY.

Mr. JOHNSTON. I ask unanimous consent for the consideration of the concurrent resolution reported by the Senator from Arkansas [Mr. CLARKE] on the 24th of February from the Committee on Commerce.

The concurrent resolution was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of War be, and he is hereby, authorized and directed to cause to be made an examination and survey of an inland waterway from Mobile Bay to Perdido Bay, in the State of Alabama, and from said Perdido Bay to Escambia Bay, in the State of Florida, for the purpose of estimating the probable cost of the construction of a canal 300 feet wide by 9 feet deep, or of such width and depth as will be sufficient to permit of the navigation of such vessels as ordinarily navigate said bays, and for other purposes.

LIGHT-HOUSE TENDER FOR TWELFTH LIGHT-HOUSE DISTRICT.

Mr. PERKINS. I ask unanimous consent for the consideration of the bill (S. 5055) authorizing the construction of a light-house tender for the light-house inspector of the twelfth light-house district.

The Secretary read the bill, and there being no objection, the Senate, as in Committee of the Whole, proceeded to the consideration of the bill.

The bill was reported from the Committee on Commerce with an amendment, to add the following as an additional section:

Sec. 2. That the Light-House Board is authorized to employ temporarily, at Washington, not exceeding three draftsmen, to be paid at current rates, to prepare plans for the tender provided for herein, and to be paid from the appropriation therefor; such employment to terminate on or before the date on which the plans or alterations therein for this tender are finally completed.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIMS OF INDIAN TRADERS AGAINST MENOMINEE INDIANS.

Mr. BROWN. I ask for the present consideration of the bill (S. 4791) providing for the determination and payment of claims of certain Indian traders and others against the Menominee tribe of Indians in Wisconsin and against individual members of said tribe.

The Secretary read the bill, and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill was reported from the Committee on Indian Affairs with amendments, on page 2, line 11, after the word "Indians," to insert "as a tribe;" and in line 20, after the word "Indians," to insert "as a tribe," so as to read:

Said claims shall be presented to said court by verified petitions to be filed within six months from the date of the approval of this act. Said court shall, in rendering judgment, ascertain and determine the amount, if any, due upon each of said claims, and if the court find that there is a liability upon any of said claims, it shall then determine if such liability be that of the said Menominee tribe of Indians as a tribe or that of individual members of said tribe, and it shall render judgment for the amount, if any, found due from said tribe to any of said claimants, and it shall render judgment for the amounts, if any, found due from any of the individual members of said tribe to any of said claimants. Upon the rendition of final judgments, the court shall certify the same to the Secretary of the Interior, who shall thereupon, in case judgments be against the said Menominee tribe of Indians as a tribe, direct the payment of said judgments out of any funds in the Treasury of the United States to the credit of said tribe, etc.

The amendments were agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BENJAMIN WARNER.

Mr. KEAN. I ask unanimous consent for the consideration of the bill (S. 1669) granting an honorable discharge to Benjamin Warner.

The Secretary read the bill, and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration. It provides that Benjamin Warner hereafter shall be held and considered to have been honorably discharged as a private of Company B, Third New Jersey Cavalry Volunteers, on October 31, 1864, and that an honorable discharge shall be issued to him by the Secretary of War. But no pay, bounty, or other emoluments shall become due or payable by virtue of the passage of this act.

Mr. CULBERSON. I ask the Senator if it is the purpose of the bill to remove the charge of desertion?

Mr. KEAN. That is the object.

Mr. TILLMAN. In order to get a pension, of course.

Mr. KEAN. I do not know, but I suppose a pension is to come hereafter.

Mr. TILLMAN. Did he deserve to be dishonorably discharged, or did he not?

Mr. KEAN. He says he did not.

Mr. CULBERSON. Is the report very lengthy?

Mr. KEAN. I do not think the report is very lengthy. The report was drawn by the Senator from Louisiana [Mr. FOSTER], and it is a very able document, without doubt. I have not read the report.

Mr. CULBERSON. I ask that it be read?

The VICE-PRESIDENT. Without objection, the Secretary will read the report.

The Secretary read, in part, the report submitted by Mr. FOSTER February 27, 1908, the entire report being as follows:

The Committee on Military Affairs, which has had under consideration the bill (S. 1669) granting an honorable discharge to Benjamin Warner, reports it back to the Senate favorably and recommends that it be passed without amendment.

A similar measure was favorably reported to the Senate in the Fifty-ninth Congress by Senate Report No. 7261 and passed the Senate.

Attention is invited to the soldier's record, as follows: It is shown by the records that Benjamin Warner was enrolled September 3, 1862, and mustered into service September 17, 1862, as a private in Company I, Thirty-first New Jersey Infantry Volunteers, to serve nine months. He appears to have served faithfully until June 24, 1863, when he was mustered out with his company and honorably discharged the service.

He was again enrolled January 5, 1864, and mustered into service January 29, 1864, as a private in Company B, Third New Jersey Cavalry Volunteers, to serve three years. He is reported present with his company to August 31, 1864, and on the company muster roll, dated October 31, 1864, he is reported absent sick in hospital.

The medical reports afford no information relative to him, nor has any record been found to show that he was discharged or that he left the service by permission of competent authority, and in the absence of such record it must be held that he deserted on or about October 31, 1864. He never reported his whereabouts or the cause of his absence to the military authorities, although his company remained in service until August 1, 1865.

Applying for removal of the charge of desertion, Warner testified July 9, 1887, as follows:

"That he is the identical Benjamin Warner who was a private in Company B, in the Third Regiment of New Jersey Volunteer Cavalry; that he served faithfully until on or about the 18th day of May, 1865, when, without any intention of deserting, he left the regiment under the following circumstances: Was home on sick furlough, and while at home the war closed and the regiment was mustered out, and he never received his discharge."

In his petition to the committee Warner, after reciting his earlier military service, claims that he served with the Third Regiment of New Jersey Cavalry until about the 18th day of October, 1864, when, by reason of illness, he was sent to the general hospital at Harpers Ferry, Va., which fact he believes is the last account of him on the records of the War Department. Also "that no charge of desertion was ever preferred against him by anyone, but the same was inferred

by the War Department because they had no other record of him, and was unknown to him until he applied for a pension on account of disability."

The petitioner further states that—
"After he was sent to hospital at Harpers Ferry he remained there about two weeks, and no improvement in his condition being manifest, he was sent home on a furlough, to remain until he was able to join his regiment again for service; that he reached his home, at Oxford, in the county of Warren, N. J., in the early part of November and was openly at his home all winter, sometimes gaining a little and then losing ground, and all that winter was unable to go out to report to the provost-marshal, but was frequently visited by deputy provost-marshals, who were active in picking up soldiers that were at home without leave; that they always examined his furlough and his condition, and, being satisfied that he was no good to the service, left him undisturbed; that as warm weather approached he began to improve, and was making preparation to get back to his regiment when he heard that Richmond had fallen and the war was ended and was informed that there was no need of his returning to the Army; and as he had not fully recovered, and never did, he remained at home and has remained there ever since."

In an affidavit executed October 11, 1888, John Rowe, 67 years of age, a resident of Phillipsburg, N. J., substantiates what Warner says regarding his furlough and illness at home.

So does Robert M. Bishop, 63 years of age, a resident of Bridgeville, N. J., in an affidavit dated October 29, 1888.

Testifying under date of November 13, 1888, Warner said he was "unable to furnish any evidence of a physician or of any medical treatment or treatment of a physician during the period between September 15, 1864, and August 1, 1865, or thereabouts, because the physician who attended on this deponent, and who was his family physician, is now dead."

In this connection Samuel Kries, 52 years of age, a resident of Franklin Township, Warren County, N. J., in an affidavit executed October 14, 1899, testifies as follows:

"Has lived in the county of Warren, N. J., for the forty years past, and has been acquainted with Benjamin Warner, a member of Company B, Third Regiment New Jersey Cavalry, for all that period, and knows that he was in said company and regiment; that he remembers that said Benjamin Warner came home to his family in the fall of 1864, and that he had a furlough to come home, and was sick all the while that he remained at home, until the war closed, in 1865, and was still unfit for service; that during the period he was at home deponent saw Benjamin Warner every week or every two weeks, and knows that he was visited by an officer, who examined him and his furlough and let him go; that deponent during the time brought medicine to said Benjamin Warner from Doctor Glenn, late of Washington, N. J., now deceased, and knows that Doctor Glenn, by whom said Warner was being treated, stated to deponent that said Warner was unfit for service and unable to return, and that said Warner continued sick after the close of the war for some considerable time, and that among other things he suffered from rheumatism and chronic diarrhea; that when he lay down he had to be assisted to get up."

W. H. H. Warman, M. D., 3343 Seventeenth street N.W., Washington, D. C., in an affidavit sworn to March 14, 1906, says he knew Warner since 1862, and has "always regarded him as a true patriot and an honest, honorable man, though uneducated and unacquainted with the customs and ways of the world and military rules and somewhat simpleminded. He was a true and faithful soldier during his service in the Thirty-first New Jersey Regiment. He and I served in the same company and were intimately associated as comrades, performing like duties."

Martin Wyckhoff, of Asbury, Warren County, N. J., adjutant of the regiment and also captain and acting inspector of staff of Gen. Gabriel R. Paul, certifies that he is well acquainted with Warner; that he was a faithful soldier while connected with the Thirty-first Regiment of New Jersey, and was honorably discharged therefrom; that he afterwards reenlisted in the Third New Jersey Cavalry and served some time; that he was at home in the winter of 1864-65 sick, and during that time took no measures to conceal himself, stating he was on furlough. Continuing, Mr. Wyckhoff says:

"While I did not see his furlough, I never doubted he had it, as the military authorities were active in picking up all soldiers that could not show some authority for being absent from the regiment. I further certify that I am and have been since 1862 well and intimately acquainted with said Warner; that he is a simple-minded man and one that could never have concealed himself had he been a deserter. He knew just enough to make a good soldier, but not enough to make a deserter, and I certify that, learning his troubles, I interested myself in his behalf, without fee or hope of reward, to have him set right on the record, deeming it a shame that a man who had been a faithful soldier, honorably discharged, then reenlisting and sent home to recruit, unable to return, should be called a deserter when the only record they have is 'October 18, sick in hospital.'"

Mr. CULBERSON. I do not ask for a further reading of the report.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

RIGHT OF APPEAL IN HABEAS CORPUS PROCEEDINGS.

Mr. CLARKE of Arkansas. I ask unanimous consent for the present consideration of the bill (H. R. 4777) restricting in certain cases the right of appeal to the Supreme Court in habeas corpus proceedings.

The Secretary read the bill and, there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration. It provides that from a final decision by a court of the United States in a proceeding in habeas corpus where the detention complained of is by virtue of process issued out of a State court no appeal to the Supreme Court shall be allowed, unless the United States court by which the final decision was rendered or a justice of the Supreme Court shall be of opinion that there exists probable cause for an appeal, in which event, on allowing the same, the said court or justice shall certify that there is probable cause for such allowance.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

THE HERMITAGE.

Mr. FRAZIER. I ask unanimous consent for the present consideration of the bill (S. 4797) for the care and preservation of the Hermitage.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It proposes to appropriate \$25,000 for the following purposes: For the repair, improvement, and care of "the Hermitage," the home of President Andrew Jackson, situated in Davidson County, Tenn., to be paid to the Ladies' Hermitage Association of Tennessee; \$5,000 of the sum to be immediately available for repairing the buildings and tomb, and improving and beautifying the grounds and premises; the remaining \$20,000 to be held by the Ladies' Hermitage Association in trust, and the interest thereon only used for the purpose of keeping in repair and caring for the buildings, tomb, and premises. It also provides that \$20,000 shall be invested by the Ladies' Hermitage Association in United States bonds, bonds of the State of Tennessee, or some other good and safe security, to be approved by the Secretary of the Treasury, and to be held by the association as a permanent trust fund, and the interest on the fund to be forever devoted and applied as herein directed, and for no other purpose.

Mr. KEAN. I ask the Senator from Tennessee if there is any precedent for such a bill?

Mr. FRAZIER. I am unable to say just whether there is any precedent or not; but, if there is not, I think we can very readily make one.

These premises embrace the tomb of President Jackson. The State of Tennessee some years ago, in 1889, transferred this building, embracing the Hermitage, the tomb of President Jackson, and twenty-five acres of land to the Ladies' Hermitage Association, who have had the care of these premises since then. It has been supported entirely by voluntary contribution. The President, on his recent visit to Tennessee, visited the Hermitage, and in his annual message on the convening of Congress in December last recommended that an appropriation be made to aid these ladies in the care of the Hermitage and the tomb of President Jackson.

Mr. KEAN. Do I understand that this bill simply makes a contribution to this association, and that the Government of the United States does not acquire the land or anything of that kind?

Mr. FRAZIER. No, sir; the land belongs to this charitable association of ladies.

Mr. KEAN. And this is merely a gift of the Government, and not the purchase of the land?

Mr. FRAZIER. Not at all.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

STATE CLAIM OF NORTH CAROLINA.

Mr. OVERMAN. I ask unanimous consent for the present consideration of the bill (S. 450) for the relief of the State of North Carolina.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It directs the Secretary of the Treasury to pay to the State of North Carolina \$42,532 for cotton taken from the authorities of that State immediately after the close of the late civil war.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

EXECUTIVE SESSION.

Mr. KEAN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 3 o'clock and 50 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, March 3, 1908, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate March 2, 1908.

SECRETARY OF LEGATION.

William Heimké, of Kansas, now secretary of the legation at Bogota, for promotion to be envoy extraordinary and minister plenipotentiary of the United States to Guatemala, vice Joseph W. J. Lee, resigned.

PROMOTIONS IN THE ARMY.

Corps of Engineers.

Lieut. Col. William T. Rossell, Corps of Engineers, to be colonel from February 28, 1908, vice Willard, retired from active service.

Maj. Lansing H. Beach, Corps of Engineers, to be lieutenant-colonel from February 28, 1908, vice Rossell, promoted.

Capt. James P. Jervey, Corps of Engineers, to be major from February 28, 1908, vice Beach, promoted.

First Lieut. John H. Poole, Corps of Engineers, to be captain from February 28, 1908, vice Jervey, promoted.

Second Lieut. Robert S. Thomas, Corps of Engineers, to be first lieutenant from February 28, 1908, vice Poole, promoted.

Cavalry Arm.

Second Lieut. Howard C. Tatum, Seventh Cavalry, to be first lieutenant from February 25, 1908, vice Jennings, Seventh Cavalry, resigned.

Ordnance Department.

Lieut. Col. Ira MacNutt, Ordnance Department, to be colonel from February 29, 1908, vice Russell, retired from active service.

Maj. Ormond M. Lissak, Ordnance Department, to be lieutenant-colonel from February 29, 1908, vice MacNutt, promoted.

Capt. David M. King, Ordnance Department, to be major from February 29, 1908, vice Lissak, promoted.

Field Artillery.

Lieut. Col. Edward T. Brown, First Field Artillery, to be colonel from February 25, 1908, vice Potts, Fifth Field Artillery, appointed brigadier-general.

Maj. David J. Rumbough, Third Field Artillery, to be lieutenant-colonel from February 25, 1908, vice Brown, First Field Artillery, promoted.

Capt. William Lassiter, Sixth Field Artillery, to be major from February 25, 1908, vice Rumbough, Third Field Artillery, promoted.

PROMOTIONS IN THE NAVY.

Lieut. (Junior Grade) Frank Rorschach to be a lieutenant in the Navy from the 30th day of July, 1907, to fill a vacancy existing in that grade on that date.

P. A. Engineer Henry E. Rhoades, who was confirmed by the Senate on January 23, 1907, for advancement from the grade of assistant engineer, with the rank of lieutenant (junior grade), to the grade of passed assistant engineer, with the rank of lieutenant (junior grade), in accordance with the provisions of an act of Congress approved June 29, 1906, to be a passed assistant engineer, with the rank of lieutenant, on the retired list, from the date of his advancement, in accordance with an opinion of the Attorney-General, dated January 13, 1908.

Asaph Hall, a citizen of Michigan, to be a professor of mathematics in the Navy from the 26th day of February, 1908, to fill a vacancy existing in that grade on that date.

WITHDRAWALS.

Executive nominations withdrawn from the Senate March 2, 1908.

Second Lieut. Harry S. Adams, Twenty-third Infantry, for promotion to the grade of first lieutenant of infantry in the Army of the United States, with rank from November 8, 1907, which was submitted to the Senate February 21, 1908, his nomination for such promotion having been previously submitted to the Senate on January 9, 1908, and confirmed by that body on January 27, 1908.

Grosvenor A. Porter, of Oklahoma, to be United States marshal for the eastern district of Oklahoma.

Benjamin F. Niesz, to be postmaster at Steamboat Springs, in the State of Colorado.

CONFIRMATIONS.

Executive nominations confirmed by the Senate March 2, 1908.

ASSISTANT APPRAISER OF MERCHANDISE.

Samuel W. George, of Massachusetts, to be assistant appraiser of merchandise in the district of Boston and Charlestown, in the State of Massachusetts.

POSTMASTERS.

CALIFORNIA.

Charles S. Graham to be postmaster at Pleasanton, Alameda County, Cal.

KANSAS.

Sheridan Crumrine to be postmaster at Longton, Elk County, Kans.

LOUISIANA.

John T. Charnley to be postmaster at Alexandria, Rapides Parish, La.

NORTH CAROLINA.

Roy C. Flanagan to be postmaster at Greenville, Pitt County, N. C.

WASHINGTON.

William M. Clemenson to be postmaster at Clarkston, Asotin County, Wash.

Francis M. Clow to be postmaster at St. John, Whitman County, Wash.

William O. Gregory to be postmaster at Burlington, Skagit County, Wash.

James Lane to be postmaster at Roslyn, Kittitas County, Wash., in place of James Lane.

Tilton S. Phillips to be postmaster at Mabton, Yakima County, Wash.

WYOMING.

Arnold O. Heyer to be postmaster at Shoshoni, Fremont County, Wyo.

HOUSE OF REPRESENTATIVES.

MONDAY, March 2, 1908.

The House met at 12 o'clock m.

Prayer by the Chaplain, Rev. HENRY N. COUDEN, D. D.

The Journal of the proceedings of Saturday, February 29, was read and approved.

COMPENSATION OF THE PHILIPPINE COMMISSIONERS.

The SPEAKER. The Chair desires to lay before the House a letter from the Comptroller of the Treasury, touching the pay of the Commissioners from the Philippines, if there is no objection. The Chair hears none, and the Clerk will read the communication.

The Clerk read as follows:

TREASURY DEPARTMENT,

Washington, March 2, 1908.

Hon. JOSEPH G. CANNON,
Speaker of the House of Representatives.

SIR: I have received your letter of the 28th instant in reference to the compensation of the Resident Commissioners from the Philippine Islands, elected by the Philippine legislature November 26, 1907. You ask for my opinion upon the following questions:

1. Have they been paid any sums under section 8 of the act of July 1, 1902 (32 Stat., 694) from the Treasury of the United States?

2. When does their compensation begin under the terms of the joint resolution of Congress approved February 24, 1908?

As to the first question I am informed that no payment has been made to these Commissioners by the statement of an account in the office of the Auditor for the State and other Departments.

As to the second question, the act of July 1, 1902 (32 Stat., 694), provides in section 7 for a Philippine legislature consisting of the Philippine Commission and the Philippine assembly, the members of the latter branch to be elected. In said section it is also provided that—

"The legislature shall hold annual sessions, commencing on the first Monday of February in each year and continuing not exceeding ninety days thereafter (Sundays and holidays not included): *Provided*, That the first meeting of the legislature shall be held upon the call of the governor within ninety days after the first election."

Section 8 of the same act provides:

"That at the same time with the first meeting of the Philippine legislature, and biennially thereafter, there shall be chosen by said legislature, each house voting separately, two Resident Commissioners to the United States, who shall be entitled to an official recognition as such by all Departments upon presentation to the President of a certificate of election by the civil governor of said islands, and each of whom shall be entitled to a salary payable monthly by the United States at the rate of \$5,000 per annum, and \$2,000 additional to cover all expenses: *Provided*, That no person shall be eligible to such election who is not a qualified elector of said islands, owing allegiance to the United States, and who is not 30 years of age."

The joint resolution of Congress approved February 24, 1908, is as follows:

"That the Sergeant-at-Arms of the House of Representatives is authorized to pay to each of the two Resident Commissioners from the Philippine Islands, out of the appropriation made for the current fiscal year for compensation of the Members of the House of Representatives, the same rate of compensation as is authorized and being paid to the Resident Commissioner from Porto Rico, together with \$2,000 each, as authorized by law, in lieu of mileage."

The compensation appropriated and being paid to the Resident Commissioner from Porto Rico is at the rate of \$7,500 per annum as fixed by section 4 of the act of February 26, 1907 (34 Stat., 993).

When the compensation of the Commissioners from the Philippine Islands begins under the law is a question of serious doubt. It is to be noticed that the law is similar to that under which the Commissioner from Porto Rico is elected (sec. 39, act of April 12, 1900, 31 Stat., 86). The latter was first elected November 6, 1900; his certificate of election was dated November 16, 1900, and he took the oath of office in Porto Rico on November 17, 1900. The Treasury Department of the United States paid him salary beginning on the date he took the oath. The law provided for his election, but did not fix the time when his term of office began. Subsequently, by section 3 of the act of July 1, 1902 (32 Stat., 732), it was provided that the term of office of the Commissioner should commence on the 4th of March next succeeding the date of his election.

The Philippine act is in the same language as to term of office, amount of salary, etc., as the earlier act relating to Porto Rico.

Although the matter is by no means clear, I am of the opinion that it was intended by the joint resolution of February 24, 1908, to pay the resident Commissioners from the Philippine Islands at the rate of \$7,500 from the date of their certificates of election.

When their terms will expire is a question not now to be decided, but no doubt Congress will, as in the case of the Commissioner from Porto