

Also, a bill (H. R. 6937) granting a pension to Nettie Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6938) granting a pension to Eliza Reed; to the Committee on Invalid Pensions.

By Mr. MOORE of Virginia: A bill (H. R. 6939) for the relief of Thomas T. Grimsley; to the Committee on Claims.

By Mr. ROWBOTTOM: A bill (H. R. 6940) granting an increase of pension to Margaret E. Arburn; to the Committee on Invalid Pensions.

By Mr. RUBEY: A bill (H. R. 6941) granting an increase of pension to Charles Edwards; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 6942) granting an increase of pension to Mary Bayette; to the Committee on Invalid Pensions.

By Mr. SMITH: A bill (H. R. 6943) granting a pension to Ephriam K. Taylor; to the Committee on Pensions.

By Mr. SWEET: A bill (H. R. 6944) to correct the military record of Peter Christy, jr.; to the Committee on Military Affairs.

By Mr. SWICK: A bill (H. R. 6945) granting an increase of pension to Allia Mitcheltree; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6946) granting an increase of pension to Catherine M. Schriver; to the Committee on Invalid Pensions.

By Mr. TABER: A bill (H. R. 6947) granting a pension to Adelbert Bigelow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6948) granting an increase of pension to Susan M. Gregory; to the Committee on Pensions.

By Mr. ZIHLMAN: A bill (H. R. 6949) granting an increase of pension to Martha Ely; to the Committee on Invalid Pensions.

By Mr. WARE: A bill (H. R. 6950) granting an increase of pension to Mary E. Kennedy; to the Committee on Invalid Pensions.

By Mr. WILLIAMSON: A bill (H. R. 6951) granting an increase of pension to Addie H. Gardner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6952) granting an increase of pension to Elizabeth J. Holliday; to the Committee on Pensions.

Also, a bill (H. R. 6953) granting an increase of pension to Nora Furey; to the Committee on Pensions.

Also, a bill (H. R. 6954) granting a pension to M. Cummins; to the Committee on Pensions.

Also, a bill (H. R. 6955) granting a pension to John Scott; to the Committee on Pensions.

Also, a bill (H. R. 6956) granting a pension to John Jensen; to the Committee on Pensions.

By Mr. BEEDY: Resolution (H. Res. 51) providing compensation for extra clerical labor performed in computing and distributing mileage for the first session of the Seventieth Congress; to the Committee on Accounts.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

106. By Mr. BLOOM: Petition of Frank Nicholson and other citizens of the United States Customs Sugar Corps, of 641 Washington Street, New York City, N. Y., petitioning for more compensation; to the Committee on Ways and Means.

107. By Mr. FULMER: Petition of the American Legion, South Carolina, No. 1, favoring the retirement of disabled emergency Army officers; to the Committee on World War Veterans' Legislation.

108. Also, petition of the American Legion, South Carolina, No. 2, favoring legislation which will provide for the payment of a lump sum to dependents of those veterans who died or were killed in service, as provided in the adjusted compensation act; to the Committee on World War Veterans' Legislation.

109. Also, petition of the American Legion, South Carolina, No. 4, favoring the passage of such legislation providing for a complete survey of the situation and for adequate hospital facilities for those entitled to treatment under provisions of existing law; to the Committee on World War Veterans' Legislation.

110. Also, petition of the American Legion, South Carolina, No. 3, favoring such legislation as will remove all limits as to time within which claims may be filed and evidence submitted and considered for the securing of benefits provided by the World War veterans' act of 1924, as amended; to the Committee on World War Veterans' Legislation.

111. By Mr. GALLIVAN: Petition of Judge J. Albert Brackett, 11 Pemberton Square, room 602, Boston, Mass., urging abolition of tax on admissions; to the Committee on Ways and Means.

112. By Mr. GARBER: Letter from L. E. Wood, Tulsa, Okla., urging the merit of bill providing for retirement of disabled emergency Army officers; to the Committee on Military Affairs.

113. By Mr. GARNER of Texas: Memorial of sundry citizens of Castroville, Tex., relative to conditions in Mexico; to the Committee on Foreign Affairs.

114. By Mr. KETCHAM: Petition of 37 residents of Allegan, Mich., and vicinity, protesting against any compulsory Sunday observance bill; to the Committee on the District of Columbia.

115. By Mr. LINTHICUM: Petition of secretary Theatrical Managers' Association, Auditorium Theater, Baltimore, urging elimination of tax on theater tickets; to the Committee on Ways and Means.

116. Also, petitions of Hon. J. Ronald Horsey, Baltimore, Md., urging repeal of the Federal estate tax, and John C. Hill, secretary Typothetae of Baltimore, Md., presenting resolution urging substantial reduction in existing corporate Federal income tax; to the Committee on Ways and Means.

117. Also, petition of W. Herman Pearcy, St. George, S. C., favoring early action on bill for retirement of disabled emergency officers; to the Committee on Military Affairs.

118. By Mr. NIEDRINGHAUS: Petition of William Hannon and 468 other citizens of St. Louis, Mo., not to pass the Sunday bill (H. R. 10311), nor any other bill enforcing the observance of the Sabbath, or the Lord's Day, or any other religious or ecclesiastical institution or rite; nor to adopt any resolution or bill that will in any way give preference to one religion above another, or that will sanction legislation upon the subject of religion; but that the American principle of total separation between religion and the State may forever remain inviolable; to the Committee on the District of Columbia.

119. By Mr. THOMPSON: Resolution of the Defiance Rotary Club, Defiance, Ohio, dated December 5, 1927, in support of House Joint Resolution 61, providing for a fitting memorial to Gen. Anthony Wayne on the site of Fort Defiance, and providing for the preservation of the site; to the Committee on the Library.

120. By Mr. VINSON of Kentucky: Petition of sundry citizens of Elliott County, Ky., opposed to compulsory Sunday observance bill; to the Committee on the District of Columbia.

#### SENATE

MONDAY, December 12, 1927

The Chaplain, Rev. Z. Barney T. Phillips, D. D., offered the following prayer:

The eternal God is our refuge and underneath are the everlasting arms. Let us pray.

Almighty God, unto whom all hearts are open, all desires known, and from whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy Holy Spirit. Make us godly for man's sake and manly for God's sake, that we may live as the sons of God among men. Prosper Thou the consultations of these Thy servants, that whatsoever they do may be done to Thy honor and glory and for the safety and welfare of Thy people everywhere. Through Jesus Christ our Lord. Amen.

THOMAS J. WALSH, a Senator from the State of Montana, appeared in his seat to-day.

#### THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the legislative day of Tuesday, December 6, 1927, when, on request of Mr. CURTIS, and by unanimous consent, the further reading was dispensed with and the Journal was approved.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed a bill (H. R. 5800) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1928, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1928, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a concurrent resolution (H. Con. Res. 7) providing for the printing, with illustrations, of 10,000 additional copies of House Document No. 90, being the message from the President of the United States transmitting a letter from the Hon. Dwight F. Davis, Secretary of War, transmitting with favorable recommendation the report of Maj. Gen. Edgar Jadwin, Chief of

Engineers, containing the plan of the Army engineers for flood control of the Mississippi River in its alluvial valley, in which it requested the concurrence of the Senate.

#### CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Ferris	La Follette	Shortridge
Barkley	Fess	McKellar	Simmons
Bayard	Fletcher	McMaster	Smith
Bingham	Frazier	McNary	Smoot
Black	George	Mayfield	Steck
Blaine	Gerry	Metcalf	Steiwer
Blease	Gillett	Moses	Stephens
Borah	Glass	Neely	Swanson
Bratton	Goff	Norbeck	Thomas
Brookhart	Gould	Nye	Trammell
Broussard	Greene	Oddie	Tydings
Bruce	Hale	Overman	Tyson
Capper	Harris	Phipps	Wagner
Caraway	Harrison	Pine	Walsh, Mont.
Copeland	Hayden	Pittman	Warren
Couzens	Heffin	Ransdell	Waterman
Curtis	Howell	Reed, Pa.	Watson
Dale	Johnson	Robinson, Ind.	Wheeler
Deneen	Jones, Wash.	Sackett	Willis
Dill	Kendrick	Schall	
Edge	Keyes	Sheppard	
Edwards	King	Shipstead	

Mr. BRATTON. I desire to announce that the senior Senator from New Mexico [Mr. JONES] is absent on account of illness. This announcement may stand for the day.

Mr. HOWELL. I wish to state that the senior Senator from Nebraska [Mr. NORRIS] is detained at home by illness.

The VICE PRESIDENT. Eighty-five Senators having answered to their names, a quorum is present.

#### HOUSE BILL AND CONCURRENT RESOLUTION REFERRED

The bill (H. R. 5800) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1928, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1928, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

The concurrent resolution (H. Con. Res. 7) was referred to the Committee on Commerce, as follows:

*Resolved by the House of Representatives (the Senate concurring),* That there shall be printed with illustrations 10,000 additional copies of House Document No. 90, being the message from the President of the United States, transmitting a letter from the Hon. Dwight F. Davis, Secretary of War, transmitting with favorable recommendation the report of Maj. Gen. Edgar Jadwin, Chief of Engineers, containing the plan of the Army engineers for flood control of the Mississippi River in its alluvial valley, of which 5,000 shall be for the use of the Committee on Flood Control of the House of Representatives, 3,000 for the use of the House document room, and 2,000 for the use of the Senate document room.

#### USELESS PAPERS IN THE STATE DEPARTMENT

The VICE PRESIDENT laid before the Senate a communication from the Secretary of State, transmitting, pursuant to law, a report relative to papers in the files of the Department of State which are not needed or useful in the transaction of the current business of the department, and have no permanent value or historical interest, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BORAH and Mr. SWANSON members of the committee on the part of the Senate.

#### USELESS PAPERS IN THE WAR DEPARTMENT

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, transmitting, pursuant to law, a report relating to documents and files of papers which are not needed or useful in the transaction of the current business of the War Department, and have no permanent value or historical interest, which, with the accompanying report, was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. REED of Pennsylvania and Mr. FLETCHER members of the committee on the part of the Senate.

#### REPORTS OF THE SECRETARY OF WAR

The VICE PRESIDENT also laid before the Senate a communication from the Secretary of War, transmitting, pursuant to law, reports, which were referred to the Committee on Appropriations, as follows:

A report showing in detail the travel of civilian officers and employees of the War Department on the regular roll on official

business from Washington to points outside the District of Columbia during the fiscal year ended June 30, 1927; and

A report showing expenditures from the appropriation for the encouragement of breeding riding horses during the fiscal year ended June 30, 1927.

#### REPORT OF NATIONAL FOREST RESERVATION COMMISSION

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, as ex officio president of the National Forest Reservation Commission, transmitting, pursuant to law, a report of the said commission for the fiscal year ended June 30, 1927.

Mr. McNARY. I ask unanimous consent that the report be printed as a Senate document and referred to the Committee on Agriculture and Forestry.

The VICE PRESIDENT. Is there objection to the unanimous-consent request submitted by the Senator from Oregon? The Chair hears none, and it is so ordered.

#### REPORTS OF FEDERAL POWER COMMISSION

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, as ex officio chairman of the Federal Power Commission, transmitting, pursuant to law, the following reports, which were referred as indicated:

A report showing permits and licenses issued under the authority of the Federal power act during the fiscal year ended June 30, 1927, together with certain information relating thereto; to the Committee on Commerce.

A report giving the aggregate number of the various publications issued by the commission during the said fiscal year with other details; to the Committee on Printing.

A detailed report of travel taken by officers of the commission on official business from Washington to points outside the District of Columbia during the said fiscal year; and

A report showing typewriters, adding machines, and other similar labor-saving devices exchanged in part payment for other machines during the said fiscal year; to the Committee on Appropriations.

#### REPORTS OF THE SECRETARY OF AGRICULTURE

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, the following annual reports for the fiscal year ended June 30, 1927, which were referred as indicated:

A report showing the proceeds from sales of waste paper and obsolete worthless documents amounting to \$1,303.57;

A report showing in detail the travel on official business from Washington to points outside the District of Columbia performed by certain officers and employees of the Department of Agriculture;

A report of revenues received at Center Market, Washington, D. C.; and

A report showing the exchanges of typewriters, adding machines, and other similar labor-saving devices of the department in part payment of new machines; to the Committee on Appropriations.

A report showing the publications issued and distributed, giving cost of paper, printing, and preparation; to the Committee on Printing.

A report on the agricultural experiment stations;

A report showing the names of all persons employed, together with their designations and rates of pay, in the Bureau of Animal Industry, other than those whose salaries were paid exclusively from the meat-inspection appropriation;

A report showing the number of motor-propelled and horse-drawn passenger-carrying vehicles purchased by the Department of Agriculture for use outside the District of Columbia;

A report showing the number of motor-propelled and horse-drawn passenger-carrying vehicles purchased by the Department of Agriculture from the appropriation of \$40,000 for the Bureau of Public Roads for use outside the District of Columbia;

A report of refunds to depositors of excess deposits for the purchase price of timber or other use of national forest resources;

A report showing the payments to officers or other persons employed by State, county, or municipal governments from sums allotted to the Bureau of Chemistry; and

A report showing contributions received on account of cooperative work with the Forest Service; to the Committee on Agriculture and Forestry.

#### JUDGMENTS OF COURT CLAIMS

The VICE PRESIDENT laid before the Senate a communication from the chief clerk of the Court of Claims, transmitting, pursuant to law, a statement of all judgments rendered

by the Court of Claims for the year ended December 3, 1927, the amounts thereof, in whose favor rendered, and a brief synopsis of the nature of the claims, which with the accompanying statement was referred to the Committee on Appropriations and order to be printed.

#### REPORT OF SURGEON GENERAL OF THE PUBLIC HEALTH SERVICE

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting, pursuant to law, the report of the Surgeon General of the Public Health Service for the fiscal year ended June 30, 1927, which, with the accompanying report, was referred to the Committee on Finance.

#### REMISSION OF DUTY ON ADVERTISING MATTER

The VICE PRESIDENT laid before the Senate a communication from the Postmaster General recommending a remission of the duty on advertising matter transported in the international postal service, in accordance with a resolution adopted at the Pan American Postal Conference, held at Mexico City on October 15, 1926, which was referred to the Committee on Finance.

#### REPORT ON PETROLEUM INDUSTRY

The VICE PRESIDENT laid before the Senate a communication from the vice chairman of the Federal Trade Commission, transmitting, in response to Senate Resolution 31, agreed to June 3, 1926, a report of the said commission on "Prices, profits, and competition in the petroleum industry," which, with the accompanying report, was referred to the Committee on Manufactures.

#### ANNUAL REPORT OF LIBRARIAN OF CONGRESS

The VICE PRESIDENT laid before the Senate a communication from the Librarian of Congress, transmitting, pursuant to law, his annual report for the fiscal year ended June 30, 1927, which, with the accompanying report, was referred to the Committee on the Library.

#### ANNUAL REPORT OF THE COMPTROLLER OF THE CURRENCY

The VICE PRESIDENT laid before the Senate a communication from the Comptroller of the Currency, transmitting, pursuant to law, the text of his annual report for the year ended October 31, 1927, which, with the accompanying document, was referred to the Committee on Banking and Currency.

#### SUPPLEMENTAL ESTIMATE OF APPROPRIATIONS

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation amounting to \$25,000 for the Department of Agriculture for the fiscal year 1928, to remain available until June 30, 1929, to enable the Secretary of Agriculture to meet an emergency caused by the spread of the Parlatoria date scale in California and Arizona, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

#### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of Minnesota, which was referred to the Committee on Commerce:

Joint Resolution 9, memorializing Congress to amend the river and harbor act so as to provide for maintenance of a uniform stage of water in the headwaters of the Mississippi River throughout the year

Whereas the river and harbor act passed by Congress in 1880 provided for the creation of storage reservoirs to impound the high waters of the Mississippi river during the spring and early summer and to release them during the late summer and fall so as to produce a greater flow in said river during the low-water season in the interests of navigation and disregarding the conservation and propagation of fish life in the headwaters of the Mississippi; and

Whereas the raising and lowering of the water in the storage reservoirs created by the War Department under said act has resulted in destroying much of the natural feeding, resting, and breeding grounds of migratory birds and has affected the value of the property of riparian owners and interfered with the natural propagation of game fish and has resulted in the freezing of many thousands of game fishes in shallow bays during the winter months: Be it

*Resolved by the House of Representatives of the State of Minnesota (the Senate concurring),* That Congress be, and it hereby is, memorialized to so amend said river and harbor act that the wild life of the State of Minnesota may be protected and propagated, and that said act be amended so as to provide for the maintenance of a uniform stage of water or a definite, fixed, and permanent low-water level in said headwaters throughout the year: Be it further

*Resolved,* That a certified copy of this resolution be transmitted to the Speaker of the House of Representatives and the Vice President of the United States and to each Representative in Congress from the State of Minnesota.

JOHN A. JOHNSON,  
*Speaker of the House of Representatives.*  
W. I. NOLAN,  
*President of the Senate.*

Passed the house of representatives the 9th day of March, 1927.

JOHN I. LEVIN,  
*Chief Clerk House of Representatives.*

Passed the senate the 10th day of March, 1927.

GEO. W. PEACHEY,  
*Secretary of the Senate.*

Approved March 11, 1927.

THEODORE CHRISTIANSON,  
*Governor.*

Filed March 11, 1927.

MIKE HOLM,  
*Secretary of State.*

I, Mike Holm, secretary of state of the State of Minnesota and keeper of the great seal, do hereby certify that the above is a true and correct copy of the resolution filed in my office March 11, 1927.

[SEAL.]

MIKE HOLM,  
*Secretary of State.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Illinois, which was referred to the Committee on Commerce:

STATE OF ILLINOIS,  
OFFICE OF THE SECRETARY OF STATE.

*To all to whom these presents shall come, greeting:*

I, Louis L. Emmerson, secretary of state of the State of Illinois, do hereby certify that the following and hereto attached is a true photostatic copy of Senate Joint Resolution 9, the original of which is now on file and a matter of record in this office.

In testimony whereof I hereto set my hand and cause to be affixed the great seal of the State of Illinois. Done at the city of Springfield this 23d day of March, A. D. 1927.

[SEAL.]

LOUIS L. EMMERSON,  
*Secretary of State.*

#### Senate Joint Resolution 9

Whereas the Illinois River Valley has suffered ever increasing flood stages during shorter intervals of time to such an extent that the valuable properties within its borders are being jeopardized to an alarming extent; and

Whereas the necessities of drainage throughout the State of Illinois, also the State of Indiana, and the needs of sanitation and industry of the cities on the upper river have added huge volumes of excess waters to the natural precipitation of the Illinois River Basin; and

Whereas the Federal Government has maintained dams in the river for the purposes of navigation and will create a more comprehensive deep waterway in compliance with present Federal legislation; and

Whereas the problems of flood control are so great and far-reaching and complicated that it is impossible for local interests to solve them and inexpedient for the State of Illinois to interfere or participate with the War Department in the development of the Illinois River; and

Whereas the War Department of the United States now in charge of the river for navigation purposes is the only agent and governmental department capable of successfully working out the necessary methods for controlling the flood menace which is now a permanent factor in the Illinois River; and

Whereas a bill, H. R. 14838, Sixty-ninth Congress, second session, proposes that the War Department be authorized to expend Federal money for flood-control purposes in the Illinois River Valley along the lines followed by the Mississippi Commission on the lower Mississippi River: Therefore be it

*Resolved by the senate of the fifty-fifth general assembly (the house concurring herein),* That it is recognized that the War Department of the Federal Government is the only and capable governmental department that can successfully solve the problems involved and give the necessary flood control protection that will safeguard all the interests involved in the valley without conflicting with any other agency; and be it

*Resolved,* That the attention of the Congress of the United States be called to the seriousness of the situation and the wisdom and expediency of the measures proposed in the above-named bill; and be it

*Resolved,* That we most earnestly entreat both the House of Representatives and the Senate of the United States that such proposed flood control legislation be enacted into law at the earliest possible date consistent with the necessary preliminary surveys; and be it

*Resolved*, That a copy of this preamble and resolution be transmitted to the Speaker of the House of Representatives and the President of the Senate of the United States by the secretary of state.  
Adopted by the senate March 2, 1927.

FRED E. STERLING,  
*President of the Senate.*  
JAMES H. PADDOCK,  
*Secretary of the Senate.*

Concurred in by the house of representatives March 9, 1927.

ROBERT SCHOLES,  
*Speaker of the House of Representatives.*  
B. H. McCANN,  
*Clerk of the House of Representatives.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Commerce: Joint Resolution 25, memorializing Congress to grant Federal aid in the construction of interstate bridges

Whereas the boundaries dividing the several States in many instances consist of natural water courses and rivers; and

Whereas the cost of interstate bridges is very great since the rivers in many instances are wide and the engineering and construction problems difficult to solve; and

Whereas the Constitution of the United States vests in Congress control over all interstate communication, and the Federal Government is vitally interested in developing national highways cutting across State lines: Therefore be it

*Resolved by the assembly (the senate concurring)*, That the Legislature of the State of Wisconsin earnestly requests and petitions the Congress of the United States to enact legislation to give Federal aid for the construction of interstate bridges; and be it further

*Resolved*, That a copy of this resolution, properly attested, be forwarded to the presiding officers of both Houses of Congress and to the Wisconsin Senators and representatives therein.

HENRY A. HUBER,  
*President of the Senate.*  
O. G. MUNSON,  
*Chief Clerk of the Senate.*

JOHN W. EBER,  
*Speaker of the Assembly.*  
C. E. SHAFFER,  
*Chief Clerk of the Assembly.*

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on Commerce:

STATE OF IDAHO,  
DEPARTMENT OF STATE.

I, Fred E. Lukens, secretary of state of the State of Idaho, and custodian of the seal of said State, do hereby certify:

That I have carefully compared the annexed copy of House Joint Memorial 4 with the original thereof adopted by the senate and house of representatives of the nineteenth legislative assembly of the State of Idaho and filed in the office of the secretary of state of the State of Idaho February 25, 1927, and that the same is a full, true, and complete transcript therefrom and of the whole thereof, together with all indorsements thereon.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Idaho. Done at the capitol at Boise, Idaho, this 16th day of April, A. D. 1927.

[SEAL]

FRED E. LUKENS,  
*Secretary of State.*

House Joint Memorial 4, to the honorable Senate and House of Representatives of the United States of America in Congress assembled:

We, your memorialists, the Legislature of the State of Idaho, respectfully represent: That—

Whereas that Snake River between Lewiston and Homestead, Idaho, is the only means of transportation to serve an area approximately 100 miles long and 14 miles wide, which area is rich in mineral deposits and has great potential possibilities for the raising of agricultural crops and stock; and

Whereas the said river can now be safely navigated only during periods of high water by reason of obstructions therein consisting of large boulders at some eleven places and extensive and important developments both in the State of Idaho and the State of Oregon are for that reason being retarded and prevented; and

Whereas the opening of the channel in the Snake River for safe navigation at all times of the year can be done only by the Federal Government: Now therefore be it

*Resolved*, That the Legislature of the State of Idaho indorse and approve of the opening up of the Snake River for safe navigation, as aforesaid, and that the Congress of the United States be memorialized to make an appropriation sufficient for that purpose; and be it further

*Resolved*, That the secretary of state of the State of Idaho is hereby instructed to forward this memorial to the Senate and House of Representatives of the United States of America, and to send copies to the Senators and Representatives in Congress from this State.

This memorial passed the house on the 14th day of February, 1927.

W. D. GILLIS,  
*Speaker of the House of Representatives.*

This memorial passed the senate on the 18th day of February, 1927.

O. E. HATLEY,  
*President of the Senate.*

I hereby certify that the within memorial 4 originated in the house of representatives during the nineteenth session of the Legislature of the State of Idaho.

C. A. BOTTOLFSSEN,  
*Chief Clerk of the House of Representatives.*

The VICE PRESIDENT also laid before the Senate the following memorial of the Legislature of the State of Florida, which was referred to the Committee on Commerce:

Senate Memorial 3

To the PRESIDENT AND CONGRESS OF THE UNITED STATES:

Whereas the State of Florida and the counties of Dade and Monroe have caused to be dug a sea-level canal across the Peninsula of Florida from the waters of the Atlantic Ocean at Miami to the waters of the Gulf of Mexico at Poincianna, saving all but 9 miles of the total distance; and

Whereas it is hoped and expected that this 9-mile gap will be completed and opened within the near future, thus establishing a sea-level water route across the State of Florida: Therefore be it

*Resolved by the Legislature of the State of Florida*, That the Congress of the United States of America be, and hereby is, memorialized to pass the necessary legislation looking to the investigation and survey of this cross-State waterway, in order to disclose the feasibility and propriety of its being taken over by the Federal Government for improvement, operation, and maintenance, to the end—

(1) That the benefits and protection afforded by the Atlantic inside waterway route from Boston south and through the Florida East Coast Canal now terminating at Miami may be immediately extended across the peninsula of Florida to the Gulf of Mexico.

(2) That small shipping, in passing from the Atlantic Ocean to the Gulf of Mexico, may be relieved of the necessity of rounding Cape Sable with its attendant dangers and hazards.

(3) That the water-route distance for such shipping between points on the Atlantic Ocean and points on the Gulf of Mexico may be shortened.

(4) That this sea-level canal which traverses the heart of the Everglades may be developed to its maximum usefulness in serving as an artery of water transportation for this vast agricultural empire which is about to be opened; and

(5) That this canal developed to its full capacity, with its outlets to the east and to the west, may be utilized in the draining of thousands of acres of Everglades lands, and the ultimate reclamation of the Florida Peninsula south of the Tamiami Trail; be it

*Resolved further*, That United States Senators FLETCHER and TRAMMELL, and Representatives SEARS, DRANE, GREEN, and YON are hereby most earnestly requested to extend their efforts toward the accomplishment of the purpose of this memorial, and that the secretary of the State of Florida be directed to transmit a copy of this memorial, under the great seal of the State, to the President of the United States, to the Congress of this Nation, and to Florida's Senators and Representatives in Congress.

Approved by the governor May 7, 1927.

STATE OF FLORIDA, *Office Secretary of State, ss:*

I, H. Clay Crawford, secretary of state of the State of Florida, do hereby certify that the above and foregoing is a true and correct copy of Senate Memorial 3, as passed by the Legislature of the State of Florida, session 1927, as shown by the enrolled memorial on file in this office.

Given under my hand and the great seal of the State of Florida, at Tallahassee, the capital, this the 15th day of November, A. D. 1927.

[SEAL]

H. CLAY CRAWFORD,  
*Secretary of State.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on the Judiciary:

Joint Resolution 23, memorializing Congress to provide for earlier seating of Senators and Representatives elect

Whereas Members of Congress are elected in November of even-numbered years, but under the present Constitution of the United States do not meet in regular session until December of the year following; and

Whereas in the so-called "short" session of Congress, which convene in December following each general election, there are always many Members who were defeated for reelection and repudiated by their constituents; and

Whereas this provision of the Constitution operates to prevent the will of the people from being expressed in legislation within a reasonable time: Now therefore be it

*Resolved by the assembly (the senate concurring),* That the Legislature of the State of Wisconsin hereby earnestly requests and petitions Congress to adopt and submit to the States the so-called "Norris amendment" to the Constitution of the United States for the earlier commencement of the terms of President, Vice President, and Members of Congress, and for the convening of Congress in January of the year following its election.

*Resolved,* That a copy of this resolution duly attested by the presiding officers and chief clerks of the senate and assembly be forwarded to the Presiding Officers of both Houses of Congress and to the Wisconsin Senators and Representatives therein.

HENRY A. HUBER,  
*President of the Senate.*  
O. G. MUNSON,  
*Chief Clerk of the Senate.*  
JOHN W. EBER,  
*Speaker of the Assembly.*  
C. E. SHAFFER,  
*Chief Clerk of the Assembly.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Idaho, which was referred to the Committee on the Judiciary:

STATE OF IDAHO,  
DEPARTMENT OF STATE.

I, Fred E. Lukens, secretary of state of the State of Idaho and custodian of the seal of said State, do hereby certify that the attached is a full, true, and complete transcript of Senate Joint Resolution 7 enacted by the nineteenth session of the Legislature of the State of Idaho and filed in this office the 11th day of March, 1927.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Idaho. Done at Boise, Idaho, the capital of Idaho, this 27th day of April, A. D. 1927.

[SEAL.]

FRED E. LUKENS,  
*Secretary of State.*

Senate Joint Resolution 7

Whereas under the existing conditions newly elected Members of Congress do not take their seats in Congress, unless at a special session, until the elapse of more than a year after their election; and

Whereas Members of Congress who are not reelected continue to serve and vote for their constituents for the duration of the short session of Congress, although their successors have been elected; and

Whereas such conditions are not productive of the best interests of the people of the United States: Therefore be it

*Resolved by the Legislature of the State of Idaho,* That the Legislature of the State of Idaho earnestly petition Congress to submit a constitutional amendment to the several States which would provide that Members of Congress should take their seats within a short time after their election; and be it further

*Resolved,* That the secretary of state is hereby directed to send copies of this resolution to the President and Vice President of the United States, to each Member of the Senate and House of Representatives of the United States, and to the governors of each of the several States.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on the Judiciary:

Joint resolution memorializing the Congress of the United States to provide for a nation-wide referendum on the question of modifying the Volstead Act

Whereas the voters of the State of Wisconsin at a recent referendum registered their disapproval of prohibition by a majority of approximately 176,000 votes; and

Whereas the people of Wisconsin have emphatically expressed themselves in favor of a modification of the Volstead Act to permit the manufacture and sale of 2.75 per cent beer; and

Whereas a nation-wide test on the question of modifying the Volstead Act would afford the means of accurately measuring the sentiment of the entire country: Therefore be it

*Resolved by the assembly (the senate concurring),* That the Wisconsin Legislature hereby goes on record as respectfully memorializing Congress to provide the necessary machinery for the holding of a nation-wide referendum on the question of modifying the Volstead Act to legalize the manufacture and sale of 2.75 per cent beer; be it further

*Resolved,* That a copy of this resolution, duly attested by the proper officers of the assembly and senate, be transmitted to the Presiding Officers of each House of Congress.

HENRY A. HUBER,  
*President of the Senate.*  
JOHN W. EBER,  
*Speaker of the Assembly.*  
O. G. MUNSON,  
*Chief Clerk of the Senate.*  
C. E. SHAFFER,  
*Chief Clerk of the Assembly.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Idaho, which was referred to the Committee on the Judiciary:

STATE OF IDAHO,  
DEPARTMENT OF STATE.

I, Fred E. Lukens, secretary of state of the State of Idaho and custodian of the seal of said State, do hereby certify that the attached is a full, true, and complete transcript of Senate Joint Resolution No. 2, enacted by the nineteenth session of the Legislature of the State of Idaho and filed in this office the 7th day of March, 1927.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Idaho. Done at Boise, Idaho, the capital of Idaho, this 31st day of March, A. D. 1927.

[SEAL.]

FRED E. LUKENS,  
*Secretary of State.*

Senate Joint Resolution No. 2, proposing an application to Congress to call a constitutional convention for the purpose of amending the Constitution of the United States to make subject to taxation all evidence of indebtedness of the United States, the several States, municipal corporations, counties, and all taxing subdivisions and taxing units thereof, together with the interest on and income from such evidence of indebtedness

*Be it resolved by the Legislature of the State of Idaho:*

SECTION A. That with the concurrence of the legislatures of two-thirds of the several States of the United States application is hereby made to Congress to call a constitutional convention for the purpose of proposing an amendment to the Constitution of the United States, said proposed amendment to read as follows:

"AMENDMENT NO. 20

"SECTION 1. All evidence of indebtedness of the United States, the several States, municipal corporations, counties, and all taxing subdivisions and taxing units thereof, together with interest on and income derived from such evidence of indebtedness, shall be subject to taxation by the United States, the several States, municipal corporations, counties, and all taxing subdivisions and taxing units thereof.

"SEC. 2. The Congress and the several States shall have power to enforce this article by appropriate legislation."

SEC. B. The secretary of state is hereby directed to send duly authenticated copies of this resolution to the Clerk of the United States Senate, the Clerk of the United States House of Representatives, and to the presiding officers of each branch of the legislature of the several States of the United States.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Maryland, which was referred to the Committee on the Judiciary:

THE STATE OF MARYLAND,  
OFFICE OF THE SECRETARY OF STATE.

I, David C. Winebrenner, 3d, secretary of state of the State of Maryland, under and by virtue of the authority vested in me by section 59 of article 35 of the Annotated Code of Maryland do hereby certify that James A. Young, who has made and signed the attached certificate, was, at date thereof, clerk of the Court of Appeals of Maryland, United States of America, duly elected and commissioned and sworn; that said certificate in in due form and by the proper officer, whose signature thereto and the seal authenticating the same I verily believe to be genuine.

In testimony whereof I have hereunto set my hand and have caused to be affixed the official seal of the secretary of state at Annapolis, Md., this 2d day of June, in the year of our Lord 1927.

[SEAL.]

DAVID C. WINEBRENNER, 3d,  
*Secretary of State.*

Joint Resolution 5, requesting Congress to submit an amendment to the Constitution of the United States providing that all amendments to said Constitution shall be submitted to a referendum vote

Whereas under the present method of amending the Constitution of the United States it is possible for amendments to be adopted when the majority of the people are opposed to them; and

Whereas under recent decisions of the Supreme Court of the United States construing the provisions of Article V of the Constitution of the

United States the people of every State have, in effect, been deprived of any opportunity to express their views, whether directly through a referendum or indirectly by the requirement that an election should intervene between the submission of an amendment by Congress and its ratification by the legislature of any State; and

Whereas it is contrary to the spirit of our institutions and of American liberty that any serious change should be made in our form of government without the consent of the governed: Therefore be it

*Resolved by the General Assembly of Maryland,* That the Congress of the United States be, and it is hereby, earnestly requested to submit an amendment to the Constitution of the United States providing that thereafter all such amendments shall be submitted to a referendum vote and that no amendment shall become a part of the Constitution unless it receives a majority of the votes cast for and against it in three-fourths of the States; and be it further

*Resolved,* That the secretary of state of Maryland be, and he is hereby, requested to transmit under the great seal of this State a copy of the foregoing resolution to the President of the United States Senate and the Speaker of the House of Representatives of the United States, and to each of the Representatives from Maryland in the Senate and House of Representatives of the United States.

Approved, April 1, 1927.

E. BROOKE LEE,  
*Speaker of the House of Delegates.*  
DAVID G. MCINTOSH, JR.,  
*President of the Senate.*

Filed, April 2, 1927.

STATE OF MARYLAND, ss:

I, James A. Young, clerk of the Court of Appeals of Maryland, do hereby certify that the foregoing is a full and true copy of the joint resolution of the General Assembly of Maryland, of which it purports to be a copy, as taken from the original joint resolution belonging to and deposited in the office of the clerk of the court of appeals aforesaid.

In testimony whereof I have hereunto set my hand as clerk and affixed the seal of the said court of appeals this 2d day of June, 1927.

[SEAL.]

JAMES A. YOUNG,  
*Clerk, Court of Appeals of Maryland.*

The VICE PRESIDENT also laid before the Senate the following joint resolutions of the Legislature of the State of Maryland, which were referred to the Committee on Finance:

THE STATE OF MARYLAND,  
EXECUTIVE DEPARTMENT.

I, David C. Winebrenner, 3d, secretary of state of the State of Maryland, under and by virtue of the authority vested in me by section 59 of article 35 of the Annotated Code of Maryland, do hereby certify that the attached is a true and correct copy of Joint Resolution 8 of the acts of the General Assembly of Maryland of 1927.

In testimony whereof, I have hereunto set my hand and have caused to be affixed the official seal of the secretary of state, at Annapolis, Md., this 24th day of March, in the year one thousand nine hundred and twenty-seven.

DAVID C. WINEBRENNER, 3D,  
*Secretary of State.*

Joint Resolution 8 and memorial of the General Assembly of Maryland to the Senate and House of Representatives of the United States in Congress assembled, requesting that legislation be enacted making provision for loans to ex-soldiers on their bonus papers or certificates

Whereas by the adoption of the soldiers bonus act, provision has been made for a bonus for ex-soldiers; and

Whereas ex-soldiers have come into possession of a paper or certificate providing for future payment; and

Whereas loans may be made upon this paper or certificate; and

Whereas it has become difficult and complicated to obtain these loans through the ordinary channels: Therefore be it

*Resolved by the General Assembly of Maryland,* That the Senate and House of Representatives of the United States in Congress assembled, be, and they are hereby, requested and urged to enact legislation making provision for loans to ex-soldiers on said bonus papers or certificates; and be it further

*Resolved,* That the Representatives from the State of Maryland in the Senate and House of Representatives of the United States be, and they are hereby, requested to urge and support the enactment of such legislation; and be it further

*Resolved,* That the secretary of state of Maryland be, and he is hereby, requested to transmit under the great seal of this State a copy of the foregoing resolution and memorial to the President of the United States Senate and the Speaker of the House of Representatives of the United States and to each of the Representatives from Maryland in the Senate and House of Representatives of the United States.

Approved March 18, 1927.

THE STATE OF MARYLAND,  
EXECUTIVE DEPARTMENT.

I, David C. Winebrenner, 3d, secretary of state of the State of Maryland, under and by virtue of the authority vested in me by section 59 of article 35 of the Annotated Code of Maryland, do hereby certify that the attached is a true and correct copy of Joint Resolution 12 of the acts of the General Assembly of Maryland of 1927.

In testimony whereof I have hereunto set my hand and have caused to be affixed the official seal of the secretary of state, at Annapolis, Md., this 24th day of March, 1927.

[SEAL.]

DAVID C. WINEBRENNER,  
*Secretary of State.*

Joint Resolution 12, requesting Congress to make provision for the removal of explosives stored in the Curtis Bay ordnance reserve depot, Curtis Bay, Md.

Whereas great quantities of explosives are now stored by the Ordnance Department of the United States Army in the Curtis Bay ordnance reserve depot, immediately adjacent to Baltimore city; and

Whereas the presence of such explosives at such place is a menace to the lives and property of the people of the city of Baltimore; and

Whereas the Governor of Maryland and the mayor of Baltimore city and the Association of Commerce of Baltimore city and other citizens have requested the Secretary of War to provide for the removal of said explosives, and the Senators and Representatives from Maryland have urged upon Congress the enactment of legislation providing for such removal, but no provision for such removal has been made, and such menace to the lives and property of the citizens of Baltimore city continues: Therefore be it

*Resolved by the General Assembly of Maryland,* That the Congress of the United States be requested to take appropriate action to bring about the speedy removal from the Curtis Bay ordnance reserve depot of the explosives there stored; and be it further

*Resolved,* That the secretary of state of Maryland be, and he is hereby, requested to transmit under the great seal of this State a copy of the foregoing resolution to the President of the United States Senate, the Speaker of the House of Representatives, to the Secretary of War, and to each of the Representatives of Maryland in both Houses of Congress.

Approved March 18, 1927.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Illinois, which was referred to the Committee on Finance:

STATE OF ILLINOIS,  
OFFICE OF THE SECRETARY OF STATE.

*To all to whom these presents shall come, greeting:*

I, Louis L. Emmerson, secretary of state of the State of Illinois, do hereby certify that the following and hereto attached is a true copy of House Joint Resolution 17, the original of which is now on file and a matter of record in this office.

In testimony whereof I hereto set my hand and cause to be affixed the great seal of the State of Illinois. Done at the city of Springfield this 9th day of March, A. D. 1927.

[SEAL.]

LOUIS L. EMMERSON,  
*Secretary of State.*

House Joint Resolution 17

Whereas the adjusted war veterans' compensation act, adopted by the United States Congress, which provided for the issuance of adjusted service certificates to the veterans of the World War contemplated that banks throughout the country would make loans on said certificates to the veterans; and

Whereas untold hardships and embarrassment are being suffered by the veterans because the great majority of the banks refuse to make loans on said certificates; and

Whereas the United States Veterans' Bureau now has on hand funds totaling over \$300,000,000 which could be used in making loans to veterans on their adjusted service certificates; and

Whereas it would be beneficial alike to the war veterans and to the banks if the funds in the hands of the United States Veterans' Bureau could be used in making loans to the veterans: Therefore be it

*Resolved by the House of Representatives of Illinois (the Senate concurring herein),* That the efforts of the veterans of the World War to authorize, by appropriate legislation, the United States Veterans' Bureau to use the funds under the control of said bureau for the making of loans direct to said veterans upon their adjusted service certificates be, and the same are, hereby approved; and be it further

*Resolved,* That copies of this preamble and resolution be forwarded to the presiding officers of both Houses of the Congress of the United States.

Adopted by the house February 8, 1927.

ROBERT SCHOLES,  
*Speaker of the House of Representatives.*  
B. H. MCCANN,  
*Clerk of the House of Representatives.*

Concurred in by the Senate February 17, 1927.

FRED E. STERLING,  
President of the Senate.  
J. H. PADDOCK,  
Secretary of the Senate.

Filed March 8, 1927.

LOUIS L. EMMERSON,  
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Maryland, which was referred to the Committee on Finance:

THE STATE OF MARYLAND,  
EXECUTIVE DEPARTMENT.

I, David C. Winebrenner, 3d, secretary of state of the State of Maryland, under and by virtue of the authority vested in me by section 59 of article 35 of the Annotated Code of Maryland, do hereby certify that the attached is a true and correct copy of Joint Resolution 3, of the acts of the General Assembly of Maryland of 1927.

In testimony whereof I have hereunto set my hand and have caused to be affixed the official seal of the secretary of state at Annapolis, Md., this 14th day of March, in the year 1927.

[SEAL.]

DAVID C. WINEBRENNER, 3d,  
Secretary of State.

Joint Resolution 3 and memorial of the General Assembly of Maryland to the Senate and House of Representatives of the United States in Congress assembled requesting the repeal of Title III of the revenue act of 1926, known as estate tax law

Whereas except in times of national stress the imposition of inheritance and estate taxes has been considered as being within the sole province of the several States; and

Whereas in the past the Federal Government has entered this field of taxation only because of war contingencies; and

Whereas the present Federal estate tax is the successor to a tax first imposed in 1916 because of the threat of war and was subsequently continued primarily as a war measure; and

Whereas the World War has long since ended and the proceeds at present derived by the Government from the Federal estate tax constitute a comparatively small factor in Federal revenue; and

Whereas the Federal Government has no occasion for remaining in any field of taxation essentially local by nature except for the purpose of revenue to meet the financial requirements of its Budget; and

Whereas there is no emergency or other pressing need which should militate against the prompt and immediate withdrawal of the Government from the exercise of a taxing power which is logically and primarily a matter for the determination of each individual State: Therefore be it

*Resolved by the General Assembly of Maryland*, That the Senate and House of Representatives of the United States in Congress assembled be, and they are hereby, requested and urged to repeal Title III of the revenue act of 1926 known as the estate tax law, to the end that the Federal Government surrender back to the State governments a sphere of taxation properly belonging to them and which should only be invaded, if at all, in times of great national necessity; and be it further

*Resolved*, That the Representatives from the State of Maryland in the Senate and House of Representatives of the United States be, and they are hereby, requested to urge and support the repeal of the above-mentioned law; and be it further

*Resolved*, That the secretary of state of Maryland be, and he is hereby, requested to transmit under the great seal of this State a copy of the foregoing resolution and memorial to the President of the United States and to each of the Representatives from Maryland in the Senate and House of Representatives of the United States.

Approved March 11, 1927.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Florida, which was referred to the Committee on Finance:

Senate Concurrent Resolution 7

*Be it resolved by the senate (the house of representatives concurring)*, That—

Whereas the people of Florida, by an overwhelming majority, adopted a constitutional amendment prohibiting the State from levying in the future any inheritance or income tax; and

Whereas the State's finances are in such an admirable condition that, although it has no severance tax, no corporation tax, no corporation stock-transfer tax, no franchise tax, no income tax, and no inheritance tax, it has no bonded indebtedness of any kind or character, does not owe a dollar, and has as of the 1st of April in its treasury in excess of \$11,466,280.05 in cash, thus demonstrating beyond question that the levying of an inheritance or an income tax is absolutely unnecessary in this State; and

Whereas the Congress of the United States, in enacting the present revenue law, providing therein for a Federal inheritance tax, but allowing those States that have inheritance taxes a credit to the extent of 80 per cent of the taxes so paid, the avowed purpose of which was to force the States of Florida, Alabama, and others similarly situated to levy an inheritance tax; and

Whereas taxing the dead, either by Federal legislation or State legislation, is a capital levy and should not be resorted to except in time of war or other grave emergency; and

Whereas an inheritance tax, if it is to be written into law at all, is a prerogative of the State, a political question exclusively within the province of the State; and

Whereas Congress by giving to the respective States that have inheritance taxes credit for 80 per cent of the taxes so paid admits and concedes that the Federal Government does not need the revenue; and

Whereas the action of Congress, in endeavoring by Federal legislation to coerce a sovereign State into enacting legislation contrary to the wishes of the people of that State in a question of purely local concern, is unprecedented, arbitrary, indefensible, and contrary to the very fundamentals of our American form of government: Therefore be it

*Resolved*, That we protest against the passage of a Federal inheritance tax, and especially one in the form of that which has been passed, and we regard such action upon the part of Congress as unnecessary, uncalled for, indefensible, without justification, and contrary to the fundamental principles upon which the Republic is founded; that we reaffirm our confidence in the wisdom of the people of Florida in adopting the constitutional amendment prohibiting the Legislature of Florida in the future from ever levying any State income or inheritance taxes; and that the State of Florida declines to be coerced into repealing the constitutional provision forbidding the levying of taxes upon the estates of dead men, but avows its intention of forever maintaining and continuing the constitutional amendment in question; be it further

*Resolved*, That we call upon our Senators and Representatives in Congress to demand the repeal of the Federal inheritance tax and that they continue to take such vigorous action as may in their judgment be deemed best to bring this about; be it further

*Resolved*, That copies of these resolutions be sent to all Members of Congress, the President of the United States, the Secretary of the Treasury, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, the chairman of the United States Senate Finance Committee, the chairman of the Ways and Means Committee of the House of Representatives of the United States, the press of this State and of the Nation.

Approved by the governor April 23, 1927.

STATE OF FLORIDA,

Office Secretary of State, ss:

I, H. Clay Crawford, secretary of state of the State of Florida, do hereby certify that the above and foregoing is a true and correct copy of Senate Concurrent Resolution 7, as passed by the Legislature of the State of Florida, session 1927, as shown by the enrolled resolution on file in this office.

Given under my hand and the great seal of the State of Florida at Tallahassee, the capital, this the 15th day of November, A. D. 1927.

[SEAL.]

H. CLAY CRAWFORD,  
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following joint resolutions of the Legislature of the State of Wisconsin, which was referred to the Committee on Foreign Relations:

Joint Resolution 37

Whereas war between nations under existing international law is a lawful institution, and any nation, with or without cause, may declare war against any other nation; and

Whereas war is the greatest existing menace to society, and the next great war is almost certain to be more terrible than any previous war and is likely to engulf and destroy civilization: Now therefore be it

*Resolved by the senate (the assembly concurring)*, That war between nations should be outlawed as an institution or means for the settlement of international controversies by making it a public crime in international law, and that every nation should be encouraged by solemn agreement or treaty to bind itself to indict and punish its own international war breeders or instigators and war profiteers under powers similar to those conferred upon our Congress under Article I, section 8, of our Federal Constitution, which clothes the Congress with the power to define and punish offenses against the law of nations; and be it further

*Resolved*, That the President of the United States and Congress be and are hereby memorialized to take the necessary steps to make this country the leader in the movement for the outlawry of war through agreements with other nations and through legislation curbing all instigators of war and war profiteers; be it further

*Resolved*, That a copy of this resolution, properly attested, be sent to the President of the United States, to the Presiding Officer of each House of Congress, and to each Wisconsin Member thereof.

JOHN W. EBER,  
*Speaker of the Assembly.*  
C. E. SHAFFER,  
*Chief Clerk of the Assembly.*  
HENRY A. HUBER,  
*President of the Senate.*  
O. G. MUNSON,  
*Chief Clerk of the Senate.*

Joint Resolution 38, memorializing Congress to adopt Senate Concurrent Resolution 15, Sixty-ninth Congress, second session, relating to "dollar diplomacy"

Whereas Senate Concurrent Resolution 15 has been introduced in the Sixty-ninth Congress, second session; and

Whereas such resolution provides as follows:

*Resolved*, That the President be, and he is hereby, requested to direct the Departments of State, Treasury, and Commerce, the Federal Reserve Board, and all other agencies of the Government which are or may be concerned thereunder, to refrain henceforth, without specific prior authorization of the Congress, from—

"(1) Directly or indirectly engaging the responsibility of the Government of the United States, or otherwise on its behalf to supervise the fulfillment of financial arrangements between citizens of the United States and sovereign foreign governments or political subdivisions thereof whether or not recognized de jure or de facto by the United States Government; or

"(2) In any manner whatsoever giving official recognition to any arrangement which may commit the Government of the United States to any form of military intervention in order to compel the observance of alleged obligations of sovereign or subordinate authority, or of any corporations or individuals, or to deal with any such arrangement except to secure the settlement of claims of the United States or of United States citizens through the ordinary channels of law provided therefor in the respective foreign jurisdictions or through duly authorized and accepted arbitration agencies." Now, therefore, be it

*Resolved by the senate (the assembly concurring)*, That Congress be, and is hereby, respectfully petitioned and urged to adopt Senate Concurrent Resolution 15; and be it further

*Resolved*, That a copy of this resolution, properly attested, be sent to the presiding officers of both Houses of Congress and to each Wisconsin Member thereof.

HENRY A. HUBER,  
*President of the Senate.*  
O. G. MUNSON,  
*Chief Clerk of the Senate.*  
JOHN W. EBER,  
*Speaker of the Assembly.*  
C. E. SHAFFER,  
*Chief Clerk of the Assembly.*

Joint Resolution 39, memorializing the National Government to submit to arbitration the Mexican and Nicaraguan controversies

Whereas difficulties have arisen between Mexico and the United States relative to the retroactive and confiscatory provisions of the land laws of Mexico as affecting the claims of certain private citizens of the United States; and

Whereas the attitude of the United States Government toward Mexico and Nicaragua has been in spirit, at least, a violation of the Monroe doctrine; and

Whereas the President of Mexico has signified his willingness to submit to arbitration the controversies arising out of the land laws of that country: Therefore be it

*Resolved by the senate (the assembly concurring)*, That the Government of the United States discontinue its present policy of interference in these countries and make every effort to submit the matters in controversy between the United States and the Governments of Mexico and Nicaragua to arbitration; be it further

*Resolved*, That a copy of this resolution, properly attested, be sent to the President of the United States, the Secretary of State, the chairman of the Foreign Relations Committee of the Senate, the Presiding Officers of both Houses of Congress, and each Wisconsin Member thereof.

HENRY A. HUBER,  
*President of the Senate.*  
O. G. MUNSON,  
*Chief Clerk of the Senate.*  
JOHN W. EBER,  
*Speaker of the Assembly.*  
C. E. SHAFFER,  
*Chief Clerk of the Assembly.*

The VICE PRESIDENT also laid before the Senate the following memorials of the Legislature of the State of Florida, which were referred to the Committee on Military Affairs:

House Memorial 1, directed to the President and Congress of the United States requesting the establishment of military schools or camps for the purpose of training aviators upon the present Government fields of Dorr and Carlstrom, located near Arcadia, in De Soto County, Fla.

Whereas the people of the State of Florida are intensely interested in the public welfare and common defense of the Nation; and

Whereas the training of aviators is essential to insuring the public welfare and maintaining the common defense of the Nation; and

Whereas the people of the United States now own in the State of Florida two flying fields, to wit, Dorr and Carlstrom, located near Arcadia, in De Soto County, Fla.; and

Whereas said fields are not being used now as aviation training camps; and

Whereas the facilities of said fields for flying are unsurpassed by any in the world, due to the region about the camps and the atmospheric conditions most conducive to the safety for flying; and

Whereas the Florida climate is equal and mild and the location of the camps naturally healthful; and

Whereas the said flying fields of Dorr and Carlstrom form an ideal location for the training of aviators: Be it

*Resolved by the Legislature of the State of Florida*, That the President of the United States and Congress be, and they are hereby, earnestly solicited to take such steps as may be necessary, either by the legislative or executive branches of the Federal Government, to establish at the fields of Dorr and Carlstrom, located near Arcadia, in De Soto County, Fla., Government schools or training camps for the purpose of training and equipping aviators for the use of aerial service in the United States Army, or for other public service; be it further

*Resolved*, That copies of this memorial be furnished by the secretary of state to the President of the United States, the Vice President, the Speaker of the House of Representatives of the United States, and to each Senator and Representative in the Congress of the United States.

Approved by the governor April 23, 1927.

STATE OF FLORIDA,

*Office Secretary of State, ss:*

I, H. Clay Crawford, secretary of state of the State of Florida, do hereby certify that the above and foregoing is a true and correct copy of House Memorial 1 as passed by the Legislature of the State of Florida, session 1927, as shown by the enrolled memorial on file in this office.

Given under my hand and the great seal of the State of Florida at Tallahassee, the capital, this the 15th day of November, A. D. 1927.

[SEAL.]

H. CLAY CRAWFORD,  
*Secretary of State.*

#### House Memorial 6

A joint resolution proposing a memorial to Congress indorsing the support by the Government of adequate appropriations for the support of the National Guard and the Organized Reserves

Whereas there is located in Florida two separate regiments of the Florida National Guard which is maintained to a large extent by Federal appropriation of money; and

Whereas there is also located in the State of Florida various units of the Organized Reserves constituted under the provisions of the national defense act of 1920; and

Whereas the National Guard forms an essential and necessary organization for use in peace time, as evidenced by its services during the recent hurricane disaster in Florida, as well as an adequate fighting organization in the event of war; and

Whereas the people of Florida desire to see the National Guard and the Organized Reserves of the United States supported by adequate appropriations reasonably sufficient to enable these organizations to accomplish the purpose of their organization, said appropriations to be as liberal as may be consistent with the welfare of the public and the general good: Therefore be it

*Resolved by the Legislature of the State of Florida*, That the Legislature of the State of Florida herein memorializes and requests its two Senators in the United States Senate and its four Representatives in the Congress of the United States to use all honorable means in their power to prevent the handicapping or crippling of the National Guard or Organized Reserves by the withdrawal of any existing appropriations therefrom, and that they use all honorable means in their power to secure for the use of the National Guard and Organized Reserves as liberal an appropriation for the training of such National Guard and reserves as may be consistent with the welfare of the Government, and that a copy of this memorial be sent to each of the United States Senators from Florida and to each of the Congressmen from Florida, to the President and Vice President of the United States, and to the Speaker of the National House of Representatives, and to the Chief of the Militia Bureau of the War Department, all duly certified to and under the great seal of the State of Florida.

Approved by the governor May 25, 1927.

STATE OF FLORIDA,  
OFFICE OF SECRETARY OF STATE.

I, H. Clay Crawford, secretary of state of the State of Florida, do hereby certify that the above and foregoing is a true and correct copy of House Memorial 6, as passed by the Legislature of the State of Florida, session 1927, as shown by the enrolled memorial on file in this office.

Given under my hand and the great seal of the State of Florida at Tallahassee, the capital, this the 15th day of November, A. D. 1927.  
[SEAL.] H. CLAY CRAWFORD,  
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following senate concurrent resolution of the Legislature of Indiana, which was referred to the Committee on Military Affairs:

UNITED STATES OF AMERICA, STATE OF INDIANA,  
Office of the Secretary of State.

I, F. E. Schortemeier, secretary of state of the State of Indiana, hereby certify that the following and hereto attached is a full, true, and complete copy of enrolled Senate Concurrent Resolution 6 of the seventy-fifth regular session of the General Assembly of the State of Indiana, begun on the 6th day of January, A. D. 1927, which said resolution was filed in my office on the 28th day of February, A. D. 1927, as the same appears on file, as the law directs, in this office.

In testimony whereof I hereunto set my hand and affix the great seal of the State of Indiana. Done at my office in the city of Indianapolis this 30th day of November, A. D. 1927.

[SEAL.] F. E. SCHORTEMEIER,  
Secretary of State.

Enrolled Senate Concurrent Resolution 6 (ch. 265)

A concurrent resolution requesting the Congress of the United States to appropriate funds to carry out certain recommendations of the Chief of Staff of the United States Army made in furtherance of the national defense act of 1920

Whereas the President of the United States in a recent message to the Congress of the United States has stated that the Army and Navy of the United States should be strengthened and that a people who neglect their national defense are putting in jeopardy their national honor; and

Whereas in furtherance of the national defense act of 1920, and amendments thereto, and in order to increase and promote the strength and effectiveness of the Army, the Chief of Staff of the Army of the United States has recommended substantially as follows:

(a) That the Regular Army be brought back to the strength of 150,000 enlisted men and 13,000 officers, and that it be suitably housed and enabled to conduct annual maneuvers on a moderate scale;

(b) That the National Guard be given the support necessary to permit its progressive development toward a strength of 250,000;

(c) That the skeleton organization of the Organized Reserves be adequately maintained;

(d) That all reserve officers receive an average of 15 days' training in each 3 years;

(e) That the Reserve Officers' Training Corps units be further developed; and

(f) That provision may be made for a gradual increase in the number accommodated annually in citizens' military training camps: Therefore

SECTION 1. *Be it resolved by the General Assembly of the State of Indiana, That the General Assembly of the State of Indiana respectfully and earnestly urges upon the Congress the necessity of appropriating such funds and enacting such legislation as will adequately provide for the effective carrying out of the provisions of the national defense act of 1920 and also the recommendations of the Chief of Staff of the Army of the United States hereinbefore set forth.*

SEC. 2. Suitable copies of this resolution shall be sent by the secretary of state to the President of the United States, the presiding officers of both branches of Congress, to the Senators and Representatives in Congress from this State, and to the members of the congressional Committees on Appropriations and Military Affairs.

F. HAROLD VAN ORMAN,  
President of the Senate.  
HARRY G. LESLIE,  
Speaker of the House of Representatives.

Governor of the State of Indiana.

Filed February 28, 1927, 4.10 p. m.

F. E. SCHORTEMEIER,  
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following senate resolution of the Legislature of the State of Arizona, which was referred to the Committee on Military Affairs:

STATE OF ARIZONA,  
OFFICE OF THE SECRETARY.

UNITED STATES OF AMERICA,  
State of Arizona, ss:

I, James H. Kerby, secretary of state, do hereby certify that the within is a true, complete, and correct copy of Senate Resolution 1 of the fourth special session of the Eighth Legislature, State of Arizona, all of which is shown by the original on file in this department.

In witness whereof I have hereunto set my hand and affixed my official seal. Done at Phoenix, the capital, this 12th day of November, A. D. 1927.

[SEAL.] JAMES H. KERBY,  
Secretary of State.

ARIZONA STATE SENATE,  
EIGHTH LEGISLATURE, FOURTH SPECIAL SESSION.  
Senate Resolution 1

Whereas there were nine classes of officers who fought for the United States in the World War, to wit: Army, emergency, provisional, regular; Navy, emergency, provisional, regular; Marine, emergency, provisional, regular; and

Whereas of the nine named classes of officers, eight classes, to wit, the officer of the Army, \* \* \*, provisional, regular; Navy, emergency, provisional, regular; Marine, emergency, provisional, regular; who became disabled in line of duty to the extent that they were incapacitated for further active service, have been for the past seven years, under laws passed by Congress, retired on 75 per cent of their active-duty pay on account of such disability; and

Whereas the ninth class of such officers, to wit, the emergency Army officers, who became disabled in line of duty to the extent that they were incapacitated for further active service, have been for the past seven years denied by Congress the retirement privileges which long ago were accorded the other eight classes of disabled officers; and

Whereas the American Legion at each of its national conventions, including the recent A. E. F. Convention held in Paris, has overwhelmingly voted to have enacted into law legislation for the retirement of the emergency Army officer permanently disabled in line of duty during the World War so as to place them on the same footing as the other eight classes of disabled officers who are now on the retired lists; and

Whereas practically all the veterans' organizations have voted in department and national conventions to have enacted into law legislation to accord the disabled emergency Army officers the same retirement privileges long ago accorded by Congress to the other eight classes of officers; and

Whereas bills to grant this justice have been pending in the National Congress since the armistice; and

Whereas measures similar to the Tyson-Fitzgerald bills of the Sixty-ninth Congress will be introduced in the Seventieth Congress: Now therefore be it

*Resolved by the Arizona State Senate, Eighth Arizona Legislature, in special session assembled, at Phoenix, Ariz., That we do favor and urge the passage of such legislation as will eliminate this injustice; and be it further*

*Resolved, That copies of this resolution be furnished to the President of the Senate, the Speaker of the House of Representatives, and to Senators HENRY ASHURST and CARL HAYDEN and Hon. LEWIS B. DOUGLAS, our Representatives in Congress.*

\_\_\_\_\_  
President of the Senate.

\_\_\_\_\_  
Secretary of the Senate.

The VICE PRESIDENT also laid before the Senate the following house resolution of the Legislature of the State of Arizona, which was referred to the Committee on Military Affairs:

HOUSE OF REPRESENTATIVES,  
Eighth State Legislature.

House Resolution 4

Whereas there were nine classes of officers who fought for the United States in the World War, to wit, the officers of the Army, emergency, provisional, regular; Navy, emergency, provisional, regular; Marine, emergency, provisional, regular; and

Whereas of the nine named classes of officers eight classes, to wit, the officers of the Army, \* \* \*, provisional, regular; Navy, emergency, provisional, regular; Marine, emergency, provisional, regular; who became disabled in line of duty to the extent that they were incapacitated for further active service, have been for the past seven years, under laws passed by Congress, retired on 75 per cent of their active-duty pay on account of such disability; and

Whereas the ninth class of such officers, to wit, the emergency Army officers, who became disabled in line of duty, to the extent that they were incapacitated for further active service, have been for the past seven years denied by Congress the retirement privileges which long ago were accorded the other eight classes of disabled officers; and

Whereas the American Legion at each of its national conventions, including the recent American Expeditionary Forces convention held in Paris, has overwhelmingly voted to have enacted into law legislation for the retirement of the emergency Army officers permanently disabled in line of duty during the World War so as to place them on the same footing as the other eight classes of disabled officers who are now on the retired list; and

Whereas practically all other veterans' organizations have voted in department and national conventions to have enacted into law legislation to accord the disabled emergency Army officers the same retirement privileges long ago accorded by Congress to the other eight classes of officers; and

Whereas bills to grant this justice have been pending in the National Congress since the Armistice.

Whereas measures similar to the Tyson-Fitzgerald bills of the Sixty-ninth Congress will be introduced in the Seventieth Congress: Now therefore be it

*Resolved by the house of representatives, eighth State legislature, in special session assembled, at Phoenix, Ariz., That we do favor and urge the passage of such legislation as will eliminate this injustice; and be it further*

*Resolved, That copies of this resolution be furnished to the President of the Senate, the Speaker of the House of Representatives, and to Senators HENRY ASHURST and CARL HAYDEN and Hon. LEWIS W. DOUGLAS, our Representatives in Congress.*

Passed the house October 31, 1927.

Carried unanimously.

The VICE PRESIDENT also laid before the Senate the following memorials of the Legislature of the Territory of Alaska, which were referred to the Committee on Territories and Insular Possessions:

UNITED STATES OF AMERICA, TERRITORY OF ALASKA,

*Office of Secretary for the Territory.*

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of Senate Joint Memorial 9 of the Alaska Territorial Legislature, 1927, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska at Juneau, the capital, this 4th day of May, A. D. 1927.

[SEAL.]

KARL THEILE,  
Secretary of Alaska.

Senate Joint Memorial 9

*To the Senate and House of Representatives of the United States of America:*

Your memorialists, the Legislature of the Territory of Alaska, do most respectfully and earnestly represent that—

Whereas large portions of the Territory of Alaska are well adapted as grazing lands for musk oxen; and

Whereas musk oxen formerly naturally inhabited Alaska, but were exterminated many years ago; and

Whereas in those portions of Alaska suited to musk oxen it has not yet been proven to be commercially successful to raise cattle or sheep; and

Whereas it appears that the raising of musk oxen can be successfully inaugurated in the Territory in regions in which cattle and sheep raising has not been proven successful; and

Whereas musk oxen are valuable for both their meat and hides, and are therefore promising substitutes for cattle and sheep: Therefore be it

*Resolved, That the Congress of the United States be, and is hereby, petitioned to pass a bill and appropriate money authorizing the introduction of musk oxen, similar to the provisions of Senate Bill 4936, introduced by Senator NORBECK in the Sixty-ninth Congress, first session.*

The carrying out of the recommended work will be of great immediate and ultimate benefit to the Territory and prove to be a well-paying investment.

Therefore your memorialists respectfully urge the action recommended.

And your memorialists will ever pray.

Passed the senate April 22, 1927.

BARTLEY HOWARD,  
President of the Senate.

Attest:

RUTH REAT,  
Secretary of the Senate.

Passed the house April 27, 1927.

SUMNER S. SMITH,  
Speaker of the House.

Attest:

CASH COLE,  
Clerk of the House.

I hereby certify that the above and foregoing is a full, true, and correct copy of the original of Senate Joint Memorial 9, passed by the senate and house of representatives.

RUTH REAT,  
Secretary of the Senate.

UNITED STATES OF AMERICA, TERRITORY OF ALASKA,

*Office of the Secretary for the Territory.*

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of House Joint Memorial 8 of the Alaska Territorial Legislature, 1927, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 27th day of April, A. D. 1927.

[SEAL.]

KARL THEILE,  
Secretary of Alaska.

House Joint Memorial 8

*To the President and Congress of the United States, and to the War Department, Washington, D. C.:*

Your memorialist, the Legislature of the Territory of Alaska, respectfully represents:

That the completion of the Government highway from Skagway, Alaska, to the international boundary line at the summit of the White Pass, will become the American terminal portion of an international high road from that port to the highways and waterways at the headwaters of the Yukon River, and furnish an outlet of that rich mining region to that terminal; such a highway will give free access to automobiles and other vehicles to the mining regions around Atlin and White Horse, British Columbia, and thence down the Yukon River, via Dawson, to eastern Alaska; it will be of great benefit to Skagway and will tend to bring the trade of the upper Yukon interior out to that American port, and will tend to increase population, prospecting, and the development of mining along the upper Yukon and around Skagway and in eastern Alaska.

That the construction of said highway, of which the Government has now constructed about one-fourth part, will give American tourists quick and easy entry from Skagway over the magnificent White Pass scenic route into the Lake Bennett, Atlin, and White Horse regions, and connect the highways in those regions with the terminal at Skagway, and be of great advantage in trade to the said port of Skagway.

That the Alaska road commission has heretofore had control of work on said project, and ought to be allowed and authorized to complete the same; that the people of Alaska have confidence in the said Alaska road commission and its ability to do good and effective road work;

Now, therefore, your memorialist respectfully petitions for the completion of the Skagway highway to the summit of White Pass, and that it be so completed by the Alaska road commission out of funds appropriated by the Congress of the United States for the construction of roads, trails, and bridges in Alaska.

And your memorialist will ever pray: Be it

*Resolved, That a copy of this memorial be sent to the President of the United States, the President of the United States Senate, to the Speaker of the House of Representatives of the United States, to the honorable Secretary of War, and to the Hon. DAN SUTHERLAND, Delegate from Alaska, Washington, D. C.*

Passed by the house April 20, 1927.

SUMNER S. SMITH,  
Speaker of the House.

Attest:

CASH COLE,  
Clerk of the House.

Passed by the senate April 25, 1927.

BARTLEY HOWARD,  
President of the Senate.

Attest:

RUTH REAT,  
Secretary of the Senate.

UNITED STATES OF AMERICA, TERRITORY OF ALASKA,

*Office of the Secretary for the Territory.*

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of Senate Joint Memorial 7 of the Alaska Territorial Legislature, 1927, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 25th day of April, A. D. 1927.

[SEAL.]

KARL THEILE,  
Secretary of Alaska.

## Senate Joint Memorial 7

To the Senate and House of Representatives of the United States of America:

Your memorialist, the Legislature of the Territory of Alaska, does most respectfully and earnestly represent that:

Whereas all of Alaska is well adapted to the raising of game and fur-bearing animals; and

Whereas certain valuable fur-bearing animals native to Alaska have been exterminated over considerable areas of Alaska, and on other areas well adapted to raising certain fur-bearing and game animals, such animals do not naturally occur; and

Whereas fur-bearing and game animals are one of the important resources of the Territory and can be made to be of much greater value to the Territory by the stocking of lands with animals adapted to such habitats, and the proper protection and upbuilding of the wild fur-bearing and game stock indigenous to the Territory; and

Whereas the Congress of the United States has by specific act retained jurisdiction over the game and fur-bearing animals of the Territory and has thereby prevented the Territory from taking an active part in the upbuilding of the wild life: Therefore be it

Resolved, That the Congress of the United States be, and is hereby, petitioned to assist in these matters by—

1. Appropriating funds and authorizing the Secretary of Agriculture or the Alaska Game Commission to adopt and carry out a program of stocking lands of Alaska with valuable fur and game animals, similar to the program adopted by the Territory (ch. 51, Session Laws of 1925), for the beginning of which the Territory appropriated \$10,000.

2. Increasing the appropriation for the protection of fur and game in Alaska and providing a special appropriation for the obtaining of needed transportation equipment to enable the Alaska Game Commission to carry on adequate wild-life protective work in Alaska.

Such expenditures will be of great immediate and ultimate benefit to the Territory and prove to be a well-paying investment.

Therefore your memorialist respectfully urges that these proposals be adopted.

And your memorialist will ever pray.

Passed the senate April 13, 1927.

BARTLEY HOWARD,  
President of the Senate.

Attest:

RUTH REAT,  
Secretary of the Senate.

Passed the house April 19, 1927.

SUMNER S. SMITH,  
Speaker of the House.

Attest:

CASH COLE,  
Clerk of the House.

I hereby certify that the above is a full, true, and correct copy of the original Senate Joint Memorial 7 passed by the senate and house of representatives.

RUTH REAT,  
Secretary of the Senate.

UNITED STATES OF AMERICA, TERRITORY OF ALASKA,  
Office of the Secretary for the Territory.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of House Joint Memorial 6 of the Alaska Territorial Legislature, 1927, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 15th day of April, A. D. 1927.

[SEAL.]

KARL THEILE,  
Secretary of Alaska.

## House Joint Memorial 6

To the honorable the Congress of the United States:

Your memorialists, the Legislature of the Territory of Alaska, in regular session assembled, respectfully represent:

That the future growth and development of the greater portion of the Territory of Alaska is largely dependent upon the successful operation and maintenance of the Alaska Railroad; that during the comparatively few years since its completion this railroad has been the chief factor in bringing into interior Alaska large and important mining and other interests, some of which involve the expenditure of many millions of dollars, and which are, with good reason, expected to give permanent employment to a great many people and to result in the ultimate settlement, development, and prosperity of Alaska;

That freight and passenger traffic over the Alaska Railroad is showing a steady and gradual increase, but, in the opinion of your memorialists, it is greatly hampered because of the fact that no protection whatever is afforded either the traveling public or the employees of the railroad against the dangers and hazards incident to railroad travel, as the

United States has elected, in the operation of the railroad, to avail itself of its sovereign right not to be sued in any matter or action arising out of the operation of the road;

That your memorialists believe that it is a matter of simple justice and right that the United States should in no wise differ in its status from any other common carrier and should be willing to make reparation and should compensate, so far as it is possible to do so, any person suffering injuries or any financial loss by reason of the operation of the said railroad, or by reason of any accident arising out of the operation thereof, on the same basis as if the United States were a common carrier.

Wherefore your memorialists pray that a law be enacted by the Congress by the provisions of which the United States shall consent to be sued in all actions founded upon any contract, express or implied, with the Government of the United States in connection with the operation of the Alaska Railroad, or for damages, liquidated or unliquidated, whether founded in tort or otherwise, arising out of the operation of the said Alaska Railroad, in respect to which the party would be entitled to redress against the United States either in a court of law or equity if the United States were suable; declaring the Alaska Railroad to be a common carrier and subject to all the laws of the United States pertaining to common carriers; that such actions may be prosecuted in the courts of Alaska, and that the judgments which may be rendered therein against the United States may be paid in the same manner as judgments rendered in the United States Court of Claims.

And your memorialists will ever pray.

Passed by the house April 1, 1927.

SUMNER S. SMITH,  
Speaker of the House.

Attest:

CASH COLE,  
Clerk of the House.

Passed by the senate April 12, 1927.

BARTLEY HOWARD,  
President of the Senate.

Attest:

RUTH REAT,  
Secretary of the Senate.

UNITED STATES OF AMERICA, TERRITORY OF ALASKA,  
Office of the Secretary for the Territory.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of Senate Joint Memorial 5 of the Alaska Territorial Legislature, 1927, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 4th day of May, A. D. 1927.

[SEAL.]

KARL THEILE,  
Secretary of Alaska.

## Senate Joint Memorial 5

To the Congress of the United States:

Your memorialists, the representatives of the people of the Territory of Alaska in session assembled, do respectfully petition:

That whereas there are certain areas of the public lands in Alaska that are adapted to the grazing of cattle and other livestock; and

Whereas the great agricultural western section of the United States was developed largely by the governmental policy of granting settlers title to the land; and

Whereas a governmental policy of leasing land is not an American policy because Americans have always obtained title to the land upon which they live; and

Whereas the grazing homestead act of Congress has aided in building up the old frontier of the United States and we believe will operate to stimulate the grazing industry in Alaska, we therefore petition the Congress to extend the provision of that act to this Territory as an inducement to agriculturists to preempt our public lands.

And your memorialists will ever pray.

Passed the senate April 19, 1927.

BARTLEY HOWARD,  
President of the Senate.

Attest:

RUTH REAT,  
Secretary of the Senate.

Passed the house April 27, 1927.

SUMNER S. SMITH,  
Speaker of the House.

Attest:

CASH COLE,  
Clerk of the House.

This is to certify that the foregoing is a full, true, and correct copy of the original of Senate Joint Memorial 5, passed by the senate and house of representatives.

RUTH REAT,  
Secretary of the Senate.

UNITED STATES OF AMERICA, TERRITORY OF ALASKA,  
Office of the Secretary for the Territory.

I, Karl Theille, Secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of House Joint Memorial 1 of the Alaska Territorial Legislature, 1927, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska at Juneau, the capital, this 13th day of April, A. D. 1927.

[SEAL.]

KARL THEILLE,  
Secretary of Alaska.

House Joint Memorial 1

To the President and Congress of the United States:

Your memorialists, the Legislature of the Territory of Alaska, in eighth regular session assembled, do most respectfully represent that—Whereas the construction of roads is a necessary requirement for the proper development of Alaska; and

Whereas the Fifth Alaska Territorial Legislature realizing the advantages and necessity of such improvement on Seward Peninsula, authorized the purchase of the Seward Peninsula Railroad; and

Whereas this railroad, now designated as the Nome-Shelton tramway, has proven of inestimable benefit to the southern part of Seward Peninsula; and

Whereas under authority of the act of Congress approved June 30, 1921, the Alaska Road Commission submitted a report printed in House Document No. 514, Sixty-seventh Congress, fourth session, recommending the extension of the Nome-Shelton tramway in connection with related road and trail development on the Seward Peninsula; and

Whereas House Joint Resolution 60, Sixty-eighth Congress, first session, authorizing the adoption of the above-mentioned report, was approved by the House Committee on the Territories, passed the House by unanimous consent on January 28, 1925, but failed of passage in the Senate because it was not considered; and

Whereas House Joint Resolution 73, Sixty-ninth Congress, second session, in identical terms, was approved by House Committee on the Territories, passed the House on February 2, 1927, but failed of passage in the Senate because it was again not considered in the closing days of a short session: Now therefore be it

*Resolved*, That your memorialists most respectfully urge that Congress give the proposed extension of this tramway their most earnest and favorable consideration; and therefore be it further

*Resolved*, That the secretary of Alaska be instructed to send copies of this memorial and supporting petition to the President of the United States, the Senate and House of Representatives, to the Secretary of War, and to the Hon. DAN A. SUTHERLAND, Delegate for Alaska.

Passed by the house March 31, 1927.

SUMNER S. SMITH,  
Speaker of the House.

Attest:

CASH COLE,  
Clerk of the House.

Passed by the senate April 9, 1927.

BARTLEY HOWARD,  
President of the Senate.

Attest:

RUTH REAT,  
Secretary of the Senate.

The VICE PRESIDENT also laid before the Senate the following resolutions of the Legislature of the Territory of Hawaii, which were referred to the Committee on Territories and Insular Possessions:

Concurrent resolution

Whereas the lessees of tracts of Hawaiian home lands on the island of Molokai have made remarkable progress in the development of their tracts notwithstanding the inadequate water supply for irrigation purposes; and

Whereas with proper irrigation the lessees of said tracts would be enabled to cultivate their tracts more properly and increase their financial returns for their efforts; and

Whereas by providing an increased water supply for irrigation purposes the value of the tracts would increase and the taxes therefrom would be greater; and

Whereas it would be to the financial advantage of the Territory in the form of increased returns from taxation to provide a more adequate water supply: Now therefore be it

*Resolved by the house of representatives (the senate concurring)*, That the Congress of the United States be requested, through the Delegate to Congress from the Territory of Hawaii, to extend to the Territory of Hawaii the provisions of the reclamation act; and be it further

*Resolved*, That a copy of this resolution be forwarded to the Governor of Hawaii, the President of the Senate, and the Speaker of the

House of Representatives of the Congress of the United States, and to the Delegate to Congress from the Territory of Hawaii.

THE HOUSE OF REPRESENTATIVES OF THE  
TERRITORY OF HAWAII,  
Honolulu, Hawaii, April 27, 1927.

We hereby certify that the foregoing concurrent resolution was adopted in the House of Representatives of the Territory of Hawaii on April 19, 1927.

C. H. COOKE,  
Speaker House of Representatives.  
JOSEPH ORDENSTEIN,  
Clerk House of Representatives.

THE SENATE OF THE TERRITORY OF HAWAII,  
Honolulu, Hawaii, April 27, 1927.

We hereby certify that the foregoing concurrent resolution was adopted in the Senate of the Territory of Hawaii on April 26, 1927.

ROBERT U. SHINGLE,  
President of the Senate.  
ALBERT E. LLOYD,  
Clerk of the Senate.

Concurrent resolution

Whereas the women of the Territory of Hawaii have shown an interest in civic affairs and in the administration of justice at least equal to that shown by the men; and

Whereas it has been proposed that women should be permitted to serve as jurors; and

Whereas it is but proper that the Legislature of the Territory of Hawaii should consider the advisability of enacting a law to permit women to serve on juries; and

Whereas such a law would be in direct conflict with the provisions of section 83 of the organic act: Therefore be it

*Resolved by the House of Representatives of the Legislature of the Territory of Hawaii (the Senate concurring)*, That Congress be requested to so amend the provisions of section 83 of the organic act that the Legislature of the Territory of Hawaii may enact a law permitting women to serve on juries; and be it further

*Resolved*, That copies of this resolution be forwarded to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to the Delegate to Congress from Hawaii.

THE HOUSE OF REPRESENTATIVES OF THE  
TERRITORY OF HAWAII,  
Honolulu, Hawaii, April 20, 1927.

We hereby certify that the foregoing concurrent resolution was finally adopted in the House of Representatives of the Territory of Hawaii on April 20, 1927.

C. H. COOKE,  
Speaker House of Representatives.  
JOSEPH ORDENSTEIN,  
Clerk House of Representatives.

THE SENATE OF THE TERRITORY OF HAWAII,  
Honolulu, Hawaii, April 20, 1927.

We hereby certify that the foregoing concurrent resolution was adopted by the Senate of the Territory of Hawaii on April 19, 1927.

ROBERT W. SHINGLE,  
President of the Senate.  
ALBERT E. LLOYD,  
Clerk of the Senate.

Concurrent resolution

Whereas the annual compensation paid to the Governor of the Territory of Hawaii is \$10,000; and

Whereas the governor, on account of the peculiar geographical position of the Territory of Hawaii, has been compelled to expend large sums of money to entertain distinguished visitors from the mainland of the United States and from foreign countries visiting the Territory and passing through Honolulu; and

Whereas the present compensation provided for the governor of the Territory, under the peculiar circumstances existing in Hawaii, is inadequate: Now therefore be it

*Resolved by the House of Representatives of the Territory of Hawaii, regular session of 1927 (the Senate concurring)*, That the Congress of the United States be respectfully requested to increase the annual compensation of the Governor of the Territory of Hawaii from \$10,000 per annum to \$12,000: And be it further

*Resolved*, That a copy of this resolution be forwarded to the President of the United States, the President of the Senate and Speaker of the House of Representatives of the Congress of the United States, and to the Delegate to Congress from the Territory of Hawaii.

THE HOUSE OF REPRESENTATIVES OF THE TERRITORY OF HAWAII,  
Honolulu, Hawaii, April 27, 1927.

We hereby certify that the foregoing concurrent resolution was adopted in the House of Representatives of the Territory of Hawaii on April 26, 1927.

C. H. COOKE,  
Speaker House of Representatives.  
JOSEPH ORDENSTEIN,  
Clerk House of Representatives.

THE SENATE OF THE TERRITORY OF HAWAII,  
Honolulu, Hawaii, April 27, 1927.

We hereby certify that the foregoing concurrent resolution was adopted by the Senate of the Territory of Hawaii on April 27, 1927.

ROBERT W. SHINGLE,  
President of the Senate.  
ALBERT E. LLOYD,  
Clerk of the Senate.

Concurrent resolution

Whereas under the laws of the United States of America, and particularly under section 320 of the penal laws of the United States, it is provided that no boxing exhibitions can be carried on in the Territory of Hawaii; and

Whereas the people of the Territory of Hawaii are interested in and in favor of allowing boxing exhibitions to be carried on in the Territory of Hawaii, under such rules and regulations as may be prescribed by the Legislature of the Territory of Hawaii: Now therefore be it

Resolved by the Senate of the Legislature of the Territory of Hawaii (the House of Representatives concurring), That the Congress of the United States of America be requested to amend section 320 of the penal laws of the United States (35 Stat. L. 1150) by changing the last paragraph of said law to read as follows:

"The provision of this section shall apply to all of the Territories of the United States and the District of Columbia, but shall not include the Territory of Hawaii"; and be it further

Resolved, That certified copies of this resolution be forwarded to the President of the United States, to the President of the Senate, and to the Speaker of the House of Representatives of the Congress of the United States, to the chairman of the Committee on Territories of the Senate and of the House of Representatives of the Congress of the United States, and to the Delegate to Congress from the Territory of Hawaii.

THE SENATE OF THE TERRITORY OF HAWAII,  
Honolulu, Hawaii, April 1, 1927.

We hereby certify that the foregoing concurrent resolution was adopted in the Senate of the Territory of Hawaii on March 31, 1927.

ROBERT W. SHINGLE,  
President of the Senate.  
ALBERT E. LLOYD,  
Clerk of the Senate.

THE HOUSE OF REPRESENTATIVES OF THE  
TERRITORY OF HAWAII,  
Honolulu, Hawaii, April 1, 1927.

We hereby certify that the foregoing concurrent resolution was adopted in the House of Representatives of the Territory of Hawaii on April 1, 1927.

G. E. COOKES,  
Speaker House of Representatives.  
JOSEPH ORDENSTEIN,  
Clerk House of Representatives.

The VICE PRESIDENT also laid before the Senate the following communications from the Secretary of the Interior, which, with the accompanying papers, were referred to the Committee on Territories and Insular Possessions and ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE INTERIOR,  
Washington, December 5, 1927.

The PRESIDENT OF THE SENATE.

SIR: I transmit herewith a copy of a letter from Hon. W. R. Farrington, Governor of Hawaii, submitting for consideration a copy of Joint Resolution 4, passed by the Legislature of the Territory of Hawaii at its fourteenth biennial session and signed by the governor April 20, 1927, in relation to the claim of the Territory of Hawaii on behalf of the University of Hawaii for recognition by the Federal Government of its right to share in the benefits of certain acts of Congress.

Respectfully,

HUBERT WORK.

TERRITORY OF HAWAII, EXECUTIVE CHAMBER,  
Honolulu, May 24, 1927.

The honorable SPEAKER OF THE HOUSE OF REPRESENTATIVES,  
United States Congress, Washington, D. C.  
(Through the honorable Secretary of the Interior).

DEAR SIR: I transmit for your consideration and presentation to the House of Representatives, United States Congress, where it may possibly

be referred to the appropriate committee, Joint Resolution 4, passed by the Legislature of the Territory of Hawaii at its fourteenth biennial session and signed by the governor of the Territory. This joint resolution is entitled "Declaring the claim of the Territory of Hawaii on behalf of the University of Hawaii for recognition by the Federal Government of its right to share in the benefits of certain of the acts of Congress."

The people of the Territory of Hawaii feel that their Territorial university, beginning, as the State universities have done, with a college of agriculture and mechanic arts, is the proper center for the continuation of those activities contemplated by the United States Congress through the so-called Hatch and Adams fund provided for the study of agricultural problems and the promotion of scientific research in relation thereto.

Hawaii has, since it became part and parcel of the United States, contributed to the Federal Treasury over \$100,000,000 in excess of the Federal expenditures within the Territory, except, of course, the expenditures of the establishments of the Army and Navy. The people of the Territory are pleased to bear their share of national burdens as required by the revenues derived through customs and the bureau of internal revenue. Having established their position as contributors to the Federal revenue in larger amounts than many of the States of the Union, they are of the opinion that they should derive benefits from national legislation in the same proportion that the various States are benefited by specific legislation, especially in relation to agricultural industry.

Yours respectfully,

W. R. FARRINGTON,  
Governor of Hawaii.

TERRITORY OF HAWAII,  
OFFICE OF THE SECRETARY.

This is to certify that hereto attached is a true and correct copy of Joint Resolution 4 of the regular session of 1927 of the Legislature of the Territory of Hawaii, the original of which is on file in this office.

In witness whereof I have hereunto set my hand and caused the great seal of the Territory of Hawaii to be affixed.

Done at the capitol in Honolulu, this 12th day of May, A. D. 1927.

[SEAL.]  
RAYMOND C. BROWN,  
Secretary of the Territory of Hawaii.

Joint Resolution 4, declaring the claim of the Territory of Hawaii on behalf of the University of Hawaii for recognition by the Federal Government of its right to share in the benefits of certain of the acts of Congress

Whereas the Congress of the United States by an act approved March 2, 1887 (24 Stat. L. 440), made provision for agricultural experiment stations to be established under the direction of the college or colleges or the agricultural departments thereof in each State or Territory which had been established or which might thereafter be established in accordance with the provisions of an act of Congress approved July 2, 1862 (12 Stat. L. 503), entitled "An act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts," or any of the supplements to said act; and

Whereas the said Congress has further endowed agricultural experiment stations so established and directed under the provisions of an act of Congress approved June 7, 1888 (25 Stat. L. 176), and an act approved March 16, 1906 (34 Stat. L. 63), and an act approved February 24, 1925 (43 Stat. L. 970); and

Whereas the Congress has further made provision for and endowed agricultural extension work in the several States of the Union by the provisions of an act approved May 8, 1914 (38 Stat. L. 372), entitled "An act to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture"; and

Whereas the Territory of Hawaii has established as a part of the University of Hawaii a college in accordance with the provisions of said act of the Congress approved July 2, 1862, and its supplements, and the Legislature of the Territory of Hawaii has given its assent to the provisions of all acts of the Congress providing for agricultural experiment stations in connection with colleges of agriculture and mechanic arts, such assent being expressed in section 4 of Act 203 of the session laws of 1919 (sec. 403 of the revised laws of Hawaii, 1925); and

Whereas all of the States of the Union and some of the present States when they were Territories have received the benefits provided by the Congress for such agricultural experiment stations, and the Territory of Hawaii is clearly within the purport and intent of these acts and the best practice as applied to other Territories, but has thus far been denied said benefits: Therefore be it

Enacted by the Legislature of the Territory of Hawaii, The Legislature of the Territory of Hawaii hereby reaffirms the declarations and claims specifically set forth in the act of said legislature approved April 26, 1923, entitled "An act to define and declare the claims of the Territory of Hawaii concerning its status in the American Union and to provide for the appointment of a commission to secure more complete recognition of such claims by the Federal Government," referring

especially to the high standard of educational institutions and educational policies in which American ideals and American programs have prevailed for a hundred years, and does further reiterate and express its confidence in the intent of the Congress to do full justice to the Territory of Hawaii, and its belief that the failure of the Territory of Hawaii to receive for the use of the University of Hawaii the benefits provided by the aforesaid acts of Congress for the establishment of agricultural experiment stations in connection with the University of Hawaii and the endowment of agricultural extension work will be speedily remedied when the Congress is fully informed of the facts.

The Legislature of the Territory of Hawaii hereby makes formal request of the Congress that in future annual appropriations made to carry out the provisions of the above-cited acts to establish and endow agricultural experiment stations, the Congress of the United States include the sums necessary to provide for the participation of Hawaii in the benefits of said acts.

The Legislature of the Territory of Hawaii hereby respectfully requests the Congress of the United States to so amend said act approved May 8, 1914 (38 Stat. L. 372), as to include the Territory of Hawaii within its scope on a parity with the several States, and does further request that in future annual appropriations made to carry out the provisions of said act the Congress include the sums necessary to make said amendment effective.

To the end that the conditions herein recited may be remedied, the Governor of Hawaii, in association with the Delegate to Congress from Hawaii, is requested to present and urge the claims of the Territory of Hawaii as above set forth to the next session of the Congress of the United States and the executive departments of the Federal Government. Approved this 20th day of April, A. D. 1927.

W. R. FARRINGTON,  
Governor of the Territory of Hawaii.

EXECUTIVE CHAMBER, TERRITORY OF HAWAII,  
Honolulu, May 24, 1927.

The honorable the PRESIDENT OF THE SENATE,  
United States Congress, Washington, D. C.

(Through the honorable the Secretary of the Interior.)

DEAR SIR: I transmit for your information and presentation to the United States Senate in the usual manner certified copy of Joint Resolution 1, passed by the Legislature of the Territory of Hawaii in regular session of 1927, entitled:

"Declaring the project of rehabilitation of the Hawaiian race, as provided by the Hawaiian homes commission act, 1920, and as administered by the Hawaiian homes commission a success, requesting the Secretary of the Interior to approve the extension of the activities of the commission under said act, urging the Congress of the United States to extend the provisions thereof to all of the islands of the Hawaiian Group, and recommending certain amendments thereto."

Very respectfully,

W. R. FARRINGTON,  
Governor of Hawaii.

DEPARTMENT OF THE INTERIOR,  
December 5, 1927.

Respectfully forwarded to the President of the Senate, Washington, D. C.

HUBERT WORK, Secretary.

TERRITORY OF HAWAII,  
OFFICE OF THE SECRETARY.

This is to certify that hereto attached is a true and correct copy of Joint Resolution 1 of the regular session of 1927 of the Legislature of the Territory of Hawaii, the original of which is on file in this office.

In witness whereof I have hereunto set my hand and caused the great seal of the Territory of Hawaii to be affixed.

Done at the capitol in Honolulu this 12th day of May, A. D. 1927.

[SEAL.]

RAYMOND C. BROWN,  
Secretary of the Territory of Hawaii.

Joint Resolution 1, declaring the project of rehabilitation of the Hawaiian race, as provided by the Hawaiian Homes Commission act, 1920, and as administered by the Hawaiian Homes Commission, a success, requesting the Secretary of the Interior to approve the extension of the activities of the commission under said act, urging the Congress of the United States to extend the provisions thereof to all of the islands of the Hawaiian group, and recommending certain amendments thereto

Whereas by act of Congress of July 9, 1921, known as the Hawaiian homes act, 1920, large areas of public lands of the Territory of Hawaii were set aside to be administered by the Hawaiian Homes Commission, created by said act for the benefit of native Hawaiians in order to rehabilitate the Hawaiian race and prevent the decrease and possible extinction thereof; and

Whereas the Hawaiian Homes Commission was organized and became operative on September 16, 1921; and

Whereas under said act the activities of the commission were limited to the island of Molokai and to the lands of Keaukaha and Panaewa in Waialea, South Hilo, and the land of Waimanu on the island of Hawaii; and

Whereas nearly all of the available lands on the island of Molokai suitable for cultivation under present conditions and portions of the lands of Keaukaha have been allotted to and settled upon by native Hawaiians; and

Whereas the Hawaiians who have taken up tracts of Hawaiian home lands have been successful, as evidenced by the following:

(a) One of the outstanding features of the work is that to date not one person that has settled on the land has left it.

(b) The 116 families occupying homesteads on the island of Molokai are making comfortable homes, their lands in most instances being profitably cultivated, and while there is no excessive wealth or luxury they are steadily making payments on the loans granted under the agreement of the lease.

(c) The house lots near Kaunakakai on Molokai and at Keaukaha on Hawaii have proved one of the best features of the commission's activity; especially on Hawaii have these lots served the intended purpose of getting working people out of the tenements.

(d) Cooperative marketing for handling the vegetables, poultry, and work is beginning to take shape among the homesteaders; and

Whereas of a total population of 650 native Hawaiians in the homesteaded areas on Molokai there have been 38 births and 11 deaths; of the deaths, 3 were from pulmonary tuberculosis, one from accident, 1 from poisoning, 1 born defective, 1 unattended, and 4 from removable causes, thus making a mortality rate of less than 1 per cent; and

Whereas on the basis of such success the commission's activities should be extended; and

Whereas under section 204 of the Hawaiian Homes Commission act further authorization of the Congress of the United States and the approval of the Secretary of the Interior of the United States must be secured before the commission could further use, lease, or otherwise dispose of Hawaiian home lands to native Hawaiians under the provisions of the act: Therefore be it

Enacted by the Legislature of the Territory of Hawaii, That the project of rehabilitation of the Hawaiian race, under the Hawaiian Homes Commission act, as administered by the Hawaiian Homes Commission, is hereby approved and declared a success;

That the Secretary of the Interior of the United States be respectfully requested to give his approval to the extension of the activities of the Hawaiian Homes Commission, under the Hawaiian Homes Commission act, 1920, to all of the islands of the group, and that the Congress of the United States authorize the extension of the said project of rehabilitation to the Hawaiian Homes Commission lands on all of the islands of the Hawaiian group, as set forth in the said act;

That the Congress of the United States amend section 204 so as to authorize, and the Secretary of the Interior of the United States approve, the immediate selection by the commission of all of the available lands named in section 203 for allotment and settlement by native Hawaiians, provided that the land so selected shall not be allotted for settlement until existing leases expire: *Provided*, That the commission may return such portion of the available lands to the commissioner of public lands as may not be immediately needed for the purposes of the act, to be leased by the commissioner of public lands as provided in subdivision D of section 73 of the organic act, such lease to contain a withdrawal clause and the lands so leased may be withdrawn for the purposes of the said act upon the giving of five years' notice of such withdrawal: *And provided further*, That the commission shall not lease, use, nor dispose of more than 20,000 acres of the area of Hawaiian home lands for settlement by native Hawaiians in any five calendar-year period.

Approved this 13th day of April, A. D. 1927.

(Signed) W. R. FARRINGTON,  
Governor of the Territory of Hawaii.

TERRITORY OF HAWAII, EXECUTIVE CHAMBER,  
Honolulu, May 24, 1927.

The honorable the PRESIDENT OF THE SENATE,  
United States Congress, Washington, D. C.

(Through the honorable the Secretary of the Interior.)

DEAR SIR: I transmit for your information and presentation to the United States Senate in the usual manner certified copy of Joint Resolution 2, passed by the Legislature of the Territory of Hawaii in regular session of 1927, entitled:

"Memorializing the Congress of the United States of America to exempt all officials and employees of the Territory of Hawaii and its political subdivisions from the payment of Federal income taxes."

Very respectfully,

W. R. FARRINGTON,  
Governor of Hawaii.

TERRITORY OF HAWAII,  
OFFICE OF THE SECRETARY.

This is to certify that hereto attached is a true and correct copy of Joint Resolution 2 of the regular session of 1927 of the Legislature of the Territory of Hawaii, the original of which is on file in this office.

In witness whereof I have hereunto set my hand and caused the great seal of the Territory of Hawaii to be affixed.

Done at the capitol in Honolulu this 12th day of May, A. D. 1927.  
[SEAL.]

RAYMOND C. BROWN,  
Secretary of the Territory of Hawaii.

Joint Resolution 2, memorializing the Congress of the United States of America to exempt all officials and employees of the Territory of Hawaii and its political subdivisions from the payment of Federal income taxes

Whereas under the revenue act of 1921 of the Congress of the United States the officials and employees of the Territory of Hawaii and its political subdivisions are compelled to pay taxes upon income derived from the Territory or its political subdivisions; and

Whereas the officials and employees receiving compensation from the various States of the Union are exempt from the payment of income taxes; and

Whereas, although the United States Government has the power to tax the income from salaries derived from the Territory of Hawaii or its political subdivisions, such taxation amounts to a discrimination in favor of the officials and employees of the various States of the Union as against the officials and employees of the Territory of Hawaii: Now therefore be it

Enacted by the Legislature of the Territory of Hawaii, That the Congress of the United States is hereby formally requested, through the Delegate to Congress from the Territory of Hawaii, to amend section 213 of the revenue act of 1921, so as to exempt from taxation thereunder all income in the form of salaries derived by the officials and employees from any Territory or the political subdivisions thereof if the laws of the Territory require the payment of a tax on such salaries.

Approved this 15th day of April, A. D. 1927.

(Signed) W. R. FARRINGTON,  
Governor of the Territory of Hawaii.

The VICE PRESIDENT also laid before the Senate the following communication from the Governor of the Territory of Hawaii, together with resolutions of the legislature of the Territory, which were referred to the Committee on Territories and Insular Possessions and ordered to be printed in the RECORD, as follows:

TERRITORY OF HAWAII, EXECUTIVE CHAMBER,  
Honolulu, April 15, 1927.

The honorable PRESIDENT AND MEMBERS  
OF THE SENATE OF THE UNITED STATES,  
Washington, D. C.

GENTLEMEN: I inclose for your consideration a copy of a concurrent resolution passed by the members of the Fourteenth Legislature of the Territory of Hawaii, requesting an amendment to the act under which various States of the Union have been invited to display in Statuary Hall of the Capitol of the United States, two statues of distinguished sons.

The Territory of Hawaii now makes its appeal for recognition to the end that statues of Jonah Kuhio Kalaniana'ole, for 20 years Delegate to Congress from the Territory and a member of the former royal family of the Hawaiian monarchy, and Hon. Sanford Ballard Dole, President of the Republic of Hawaii, first governor of the Territory of Hawaii, and judge of the United States District Court of Hawaii, may be placed in Statuary Hall.

Hawaii has since its annexation to the United States carried all the financial responsibilities of a State. It is to-day practically a State, except that its executive and judicial officers are appointed by the President of the United States; its laws may be changed by the Congress of the United States, and its representation in the Congress is through a Delegate who has no vote in Congress.

These leaders whom our citizens desire to especially honor gave a lifetime of service to their country. They were pioneers in a great outpost. They deserve recognition in the same way that honor is done to other famous sons of our Nation.

Yours very truly,

W. R. FARRINGTON,  
Governor of Hawaii.

Concurrent resolution

Whereas by act of Congress of July 2, 1864, it is provided that the President of the United States shall invite the various States of the Union to display in Statuary Hall of the Capitol of the United States not more than two statues of distinguished sons; and

Whereas the act limits the privilege to the various States of the Union; and

Whereas it would be fitting and proper for the privilege to be extended to the Territory of Hawaii, and that the said Territory present the statues of Jonah Kuhio Kalaniana'ole, Prince of the Hawaiian Kingdom and former Delegate to the Congress of the United States for a period of nearly 20 years, and Sanford Ballard Dole, President of the Republic of Hawaii and first Governor of the Territory of Hawaii: Now therefore be it

Resolved by the Senate of the Legislature of the Territory of Hawaii (the House of Representatives concurring), That the Congress of the United States be requested to amend said act so as to include the territories, and that the Delegate to Congress from the Territory of Hawaii use his good offices to request the President of the United States to invite the Territory of Hawaii, as provided by said act, to place in Statuary Hall of the Capitol of the United States the statues of Jonah Kuhio Kalaniana'ole and Sanford Ballard Dole; and be it further

Resolved, That the Governor of the Territory of Hawaii be requested to forward a copy of this resolution, with his approval thereof, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and the Delegate to Congress from the Territory of Hawaii.

THE SENATE OF THE TERRITORY OF HAWAII,  
Honolulu, Hawaii, April 12, 1927.

We hereby certify that the foregoing concurrent resolution was adopted in the Senate of the Territory of Hawaii on April 11, 1927.

ROBERT M. SHINGLE,  
President of the Senate.  
ALBERT E. LLOYD,  
Clerk of the Senate.

THE HOUSE OF REPRESENTATIVES  
OF THE TERRITORY OF HAWAII,  
Honolulu, Hawaii, April 12, 1927.

We hereby certify that the foregoing concurrent resolution was adopted in the House of Representatives of the Territory of Hawaii on April 12, 1927.

C. C. COOKE,  
Speaker, House of Representatives.  
Clerk House of Representatives.

The VICE PRESIDENT also laid before the Senate the following memorial of the Legislature of the State of Arizona, which was referred to the Committee on Indian Affairs:

STATE OF ARIZONA,  
OFFICE OF THE SECRETARY.

UNITED STATES OF AMERICA,  
State of Arizona, ss:

I, James H. Kerby, secretary of state, do hereby certify that the within is a true, correct, and complete copy of Senate Memorial 4, of the eighth legislature, regular session, State of Arizona, 1927, "To the Senate and House of Representatives of the Congress of the United States of America in Congress assembled to make appropriations for roads over Indian reservations"; all of which is shown by the original bill on file in this department.

In witness whereof I have hereunto set my hand and affixed my official seal. Done at Phoenix, the capital, this 12th day of March, A. D. 1927.

[SEAL.]

JAMES H. KERBY,  
Secretary of State.

Senate Memorial 4, to the Senate and House of Representatives of the Congress of the United States of America in Congress assembled, to make appropriations for roads over Indian reservations

Your memorialist, the Eighth Legislature of the State of Arizona, in regular session convened, respectfully represents:

That of the 73,000,000 acres of land comprising the State of Arizona, approximately three-fifths are reserved by the Government of the United States;

That over these reserved lands the State of Arizona exercises no supervision nor jurisdiction;

That 20,000,000 acres of these lands are reserved by the Government of the United States to the use and benefit of the Indians in the State of Arizona;

That the above condition exists in many States;

That these Indian reservations are so situated as to prevent a systematic development and extension of county, State, or national highways without the cooperation and assistance of the Government of the United States;

That the Congress of the United States in enacting a most beneficent national road law has wholly failed to make any provisions for the construction and maintenance of highways over and upon the lands reserved by the Federal Government to the use and benefit of its Indian wards;

Whereas adequate transportation facilities are a vital factor in the prosperity and civilization of any country, and are essential to the

development of its agriculture and manufacture, to the working of its forests and mines, and to the spread of education and enlightenment among its citizens; and

Whereas the public roads of Arizona are for a large percentage of her citizens, and especially for the 42,000 Indian wards of the Federal Government, the only avenues of transportation leading from the point of production to the point of consumption or rail shipment, and these avenues are only now in the process of their development; and

Whereas a very large portion of the State of Arizona is held in reserve by the Government of the United States to the use and benefit of its Indian wards, and these reservations are so situated as to prevent any economic or systematic road-building activities on the part of the State government as continuous highways are rendered impracticable; this is especially true on the Apache Indian Reservation, as practically the entire long and important stretch of road from Rice to Springerville is on the reservation; and

Whereas a further inequity results from the fact that traffic in its development takes no account of reservation and State boundaries, and the State government is powerless to provide for the extension of its highway system through the adjoining and intervening reservations; and

Whereas the improvement of highways should be commensurate with their importance, and a system of highways upon the Indian reservations in Arizona, would form the only avenue by which the Indian nations could transport their products to a market, or over which the many thousands of tourists from all parts of the United States could pass to view the marvelous beauties of our natural and historical wonders: Therefore be it

*Resolved by the Senate and the House of Representatives of the Legislature of the State of Arizona,* That the development of the material resources of the Indians of Arizona can best be furthered, their material prosperity best enhanced, their education and civilization more readily achieved, and that close association with civilization which has proved to be the efficient means of equipping them to share in the responsibilities of life most certainly assured, by means of highways constructed and maintained over and upon the lands reserved by the Government of the United States to their use and benefit; and be it further

*Resolved,* That the Congress of the United States be, and it is hereby, urged to enact any legislation which may be necessary to provide adequate and continual appropriation for the construction and maintenance of highways over and upon Indian reservations in Arizona joining to and in conjunction with the system of State highways;

*Resolved further,* That a copy of this memorial and these resolutions be forwarded to the President of the United States, the President of the Senate and the Speaker of the House of Representatives, the Secretary of the Interior, the Commissioner of Indian Affairs, and to Representatives of Arizona in Congress and Chambers of Commerce in the State of Arizona; and that our Representatives in Congress be, and they are hereby, requested to do all in their power to accomplish the enactment of such legislation.

(Signed) MULFORD WINSOR,  
*President.*  
(Signed) DOROTHY BURTON,  
*Secretary.*

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Washington, which was referred to the Committee on Indian Affairs:

UNITED STATES OF AMERICA,  
THE STATE OF WASHINGTON,  
*Department of State.*

*To all to whom these presents shall come:*

I, J. Grant Hinkle, secretary of state of the State of Washington and custodian of the seal of said State, do hereby certify that I have carefully compared the annexed copy of House Joint Memorial 5 with the original copy of said House Joint Memorial 5, now on file in this office, and find the same to be a full, true, and correct copy of said original and of the whole thereof, together with all official indorsements thereon.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Washington. Done at the capitol, at Olympia, 12<sup>th</sup> day of March, A. D. 1927.

[SEAL.]

J. GRANT HINKLE,  
*Secretary of State.*  
By A. M. KITTS,  
*Assistant Secretary of State.*

House Joint Memorial 5

*To the honorable the Senate and House of Representatives of the United States in Congress assembled:*

We, your memorialists, the Senate and House of Representatives of the State of Washington in legislative session assembled, most respectfully represent and petition your honorable body as follows:

Whereas the Federal Government has an established school under the direct supervision of the Department of the Interior, known as the

Tulalip Indian School, at Tulalip, Wash., for the education and training of the Indian children; and

Whereas the Tulalip Indian School only provides an eighth-grade course for all such pupils, and those who desire a high-school education must attend Indian schools in other States at an additional expense; and

Whereas it is necessary, in order to provide such higher education, to establish a high school at Tulalip, Wash.: Therefore be it

*Resolved,* That the Senate and House of Representatives of the State of Washington in legislative session assembled do respectfully request the Congress of the United States to pass legislation making provision for the construction of permanent and adequate buildings at Tulalip, Wash., for an Indian high school; and be it further

*Resolved,* That the secretary of state, under the seal of the State of Washington, transmit to the Senate and House of Representatives of the United States at Washington, D. C., to the Secretary of the Interior, and to each Senator and Congressman from the State of Washington a full, true, and correct copy of this joint memorial.

Passed the house February 4, 1927.

RALPH R. KNAPP,  
*Speaker of the House.*

Passed the senate February 23, 1927.

W. LON JOHNSON,  
*President of the Senate.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Indian Affairs:

Joint Resolution 28, memorializing the Congress of the United States to make a general survey of the conditions of the Indians and to enact into law the La Follette-Cooper bill, relating to the administration of Indian affairs

Whereas Senate Resolution 341, now pending in the United States Senate, details the deplorable condition of the American Indian and the need for a general survey for the purpose of correcting any abuses in the administration of Indian affairs and of recommending such changes in the law as will promote the security, economic competence, and progress of the Indians; and

Whereas there has been introduced a bill in the Congress of the United States known as the La Follette-Cooper bill, providing for the administration of the education, health, and public welfare of the Indians by the several States; and

Whereas there are several thousand Indians within the State of Wisconsin and it is the opinion of this State that the American Indian is entitled to have his needs taken care of: Therefore be it

*Resolved by the assembly (the senate concurring),* That the Wisconsin Legislature respectfully memorializes the United States Senate to authorize the Committee on Indian Affairs to make a general survey of the conditions of the Indians as provided by Senate Resolution 341 and also memorializes Congress to enact into law the La Follette-Cooper bill, providing for administration by the several States of all funds appropriated for the education, health, and public welfare of the Indians; be it further

*Resolved,* That a copy of this resolution, duly attested by the proper officers of the assembly and senate, be transmitted to the presiding officers of each house of Congress and to the Senators and Representatives from this State.

HENRY A. HUBER,  
*President of the Senate.*  
O. G. MUNSON,  
*Chief Clerk of the Senate.*  
JOHN W. EBER,  
*Speaker of the Assembly.*  
C. E. SHAFER,  
*Chief Clerk of the Assembly.*

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of North Dakota, which was referred to the Committee on Agriculture and Forestry:

UNITED STATES OF AMERICA,  
DEPARTMENT OF STATE, STATE OF NORTH DAKOTA.

*To all to whom these presents shall come:*

I, Robert Byrne, secretary of state of the State of North Dakota, do hereby certify that the following concurrent resolution was adopted by the twentieth legislative assembly on the 28th day February, 1927. Dated at Bismarck, N. Dak., this the 28th day of February, 1927.

[SEAL.]

ROBERT BYRNE, *Secretary of State.*

Concurrent resolution

*Be it resolved by the senate and house of representatives:*

Whereas during a period of the World War the United States Government established an arbitrary price upon the value of wheat cereal; and

Further, the Government organized and maintained a corporation which purchased and took over, handled, and resold all of the wheat

grown in the United States, and prescribed certain rules and regulations concerning the sale, distribution, and consumption of the same; and

Further, that during the years 1919 and 1920 the United States Government made urgent requests of the farmers and wheat growers of the United States to put forth an effort to increase and swell the volume of wheat for consumption in the United States and for export, in order that a famine situation might be averted; and

Further, that contrary to the implied promise of the United States Government that it would continue to support the market for wheat, and would maintain the price of wheat in 1919 and 1920 upon relative price level with that which was guaranteed and maintained during the period of the actual continuance of the operations of the World War; and

Further, that the Federal Government neglected to redeem its implied promise to do so; and

Further, the market price for wheat for the said years dropped considerably below the minimum price guaranteed by the Federal Government through the Federal Grain Corporation, and that by reason thereof the wheat farmers of the United States sustained tremendous losses on account of the said reduction and price;

Further, that the cost of the production of the 1919 and 1920 wheat crop was vastly enhanced by reason of the scarcity of labor and the consequent high prices paid therefor, and the high prices prevailing for all implements, machinery, and supplies necessarily used by the wheat farmers of the United States in the production of the said 1919 and 1920 crops; and

Whereas the said United States or Federal Grain Corporation closed out and ceased its operations with a large surplus in the treasury, which said surplus represented profits realized by the said Federal Grain Corporation during the period of the war when it operated and enjoyed a complete monopoly of the wheat markets of the United States, and through said power and influence it exercised a dominant power over the markets of the world; and that in justice and equity the said surplus belongs to the wheat growers of the United States of America;

Whereas the Federal Government, after the close of the World War and the termination of its contract with the manufacturers of war materials and supplies, many such manufacturers were settled with and paid large sums as a remuneration for losses sustained on account of the contract relation existing between the Federal Government and the said manufacturers;

Whereas further, the Federal Government settled with paid claims of the railroads and transportation companies with which it had contracts either expressed or implied, for the transportation of war material, soldiers, sailors, etc., and that large sums were paid to said transportation companies in settlement of claims which they presented to the Federal Government, many of which claims were not covered by express contracts;

Whereas the Federal Government during the period of war, by its rules and regulations assumed to dictate and control the production acreage of wheat grown in the United States during the period of actual hostilities, and for the years 1919 and 1920, being the reconstruction period after the war; and in consequence thereof an implied contract arose between the wheat growers and the Federal Government, and the wheat growers relied upon the said implied contract and in justice and right should be remunerated for their losses in a sum not less than a price guaranteed by the Federal Government for wheat during the period of hostilities;

Whereas the Federal Government realized a profit at the expense of the wheat grower and that the wheat grower in good faith complied with all the rules, regulations, and requests of the Federal Government, it is the sense of the Senate and House of Representatives of the State of North Dakota that in justice and equity Congress should take full cognizance of these millions of dollars now in the national Treasury, so retained and belonging to the wheat growers of the United States; that this money should be made available to use in any manner required in connection with legislation which should be enacted at the earliest possible date, establishing for the grower of wheat in the United States a price for his product based upon American standards of living and cost;

Further, that a copy of this resolution be prepared by the secretary of state of the State of North Dakota and forwarded to the President and Vice President of the United States, and to each Senator and Member of the House of Representatives from the State of North Dakota.

WALTER MADDOCK,  
President of the Senate.  
W. D. AUSTIN,  
Secretary of the Senate.  
JNO. W. CARR,  
Speaker of the House.  
C. E. VERRY,  
Chief Clerk of the House.

The VICE PRESIDENT also laid before the Senate the following joint resolutions of the Legislature of the State of Wisconsin, which were referred to the Committee on Agriculture and Forestry:

Joint Resolution 33, protesting to Congress and to the Secretary of Agriculture of the United States against the passage of the Frazier-Burtness bill (H. R. 16776 and S. 5696), depriving the Grain and Warehouse Commission of Wisconsin of authority to act as Federal inspectors of grains in transit

Whereas bill H. R. 16776 was introduced in the House of Representatives of the United States on January 28, 1927, by Hon. OLGER B. BURTNES, and a similar bill (S. 5696) was introduced in the United States Senate on February 12, 1927, by Hon. LYNN J. FRAZIER, with the sanction and approval of the Secretary of Agriculture, amending certain sections of the United States grain standards act of August 11, 1916, and adding thereto a new section;

Whereas the proposed addition to the statutes of the United States confers upon the Secretary of Agriculture authority to establish and maintain laboratories at such points as he may designate for the purpose of making determinations of protein in wheat and oil in flax, etc., and to issue certificates showing the results of such determinations and tests upon requests of any interested party, fees for such services to be assessed and collected, the amount to be fixed by the Secretary;

Whereas if such a measure should be enacted into law it would, in effect, make null and void the act of the Legislature of Wisconsin in creating and maintaining the Wisconsin Grain and Warehouse Commission, for the reason that it would deprive such commission of the authority as agents of the Federal Government to make such tests and determinations and issue such certificates;

Whereas the Wisconsin Grain and Warehouse Commission, located at Superior, Wis., has been in efficient and effective operation since 1905 and has rendered valuable aid and assistance to the wheat and grain growers of this and neighboring Northwestern States;

Whereas during the 20 years of its existence the tests, grades, and determinations of grains made by the Wisconsin Grain and Warehouse Commission have seldom been called into question and its work has been uniformly satisfactory to the shippers and to the grain interests of the Northwest, and has been sanctioned and approved by the Federal Government;

Whereas there has been no call from the people of this State or the grain growers of the adjoining States for the abolition of the present system of grain inspection, and the only claim made for abandoning the present system is that it might relieve the Federal Government of slight financial obligations for the general supervision of the work in this and other States of the Union: Now therefore be it

*Resolved by the senate (the assembly concurring),* That the State of Wisconsin hereby respectfully protests to the Congress of the United States and the Secretary of Agriculture against any action changing the present system of grain inspection in this and other States; be it further

*Resolved,* That the Grain and Warehouse Commission of Wisconsin be instructed and directed to use every and all lawful and proper means at its disposal to combat this proposed legislation, and to cooperate with similar commissions and public bodies in other States to the end that this bill, which is inimical to the best interests of the people of Wisconsin and of adjoining States, be defeated; be it also

*Resolved,* That a copy of this resolution, properly attested by the presiding officers and chief clerks of both houses, be sent to the President of the United States, the Secretary of Agriculture, the Presiding Officers of the Senate and the House of Representatives, and to each Senator and Member of Congress from Wisconsin; be it further

*Resolved,* That a copy of this resolution, so attested, be sent to the governor and presiding officers of both houses of the legislature of each of the States of the Union maintaining grain and warehouse activities for the testing of grains in transit, and inviting the cooperation of these States in like protests to the Congress and to the Secretary of Agriculture.

HENRY A. HUBER,  
President of the Senate.  
O. G. MUNSON,  
Chief Clerk of the Senate.  
JOHN W. EBEL,  
Speaker of the Assembly.  
C. E. SHAFFER,  
Chief Clerk of the Assembly.

Joint Resolution 91, memorializing Congress to provide more adequate support for forest research

Whereas the future prosperity of Wisconsin is bound up in maintaining and restoring the productivity of forest lands and the effective utilization of their forest products as well as the related recreational game and fish and other resources; and

Whereas there is now maintained by the Federal Forest Service in cooperation with the University of Wisconsin the forest products laboratory which is the outstanding institution for research in forest products in the world, and at St. Paul, the Lakes States forest experiment station for forest research in Wisconsin and other Lake States; and

Whereas the efficient development and use of forests and the products therefrom is dependent upon a permanent enlarged program of forest research for these institutions not only for Wisconsin but also for the entire United States; and

Whereas there has been introduced in the second session of the Sixty-ninth Congress of the United States a bill, H. R. 17406, which would provide definite authorized appropriations for the United States Department of Agriculture in order to secure an adequate national program of forest research in cooperation with the States: Now therefore be it

*Resolved by the assembly (the senate concurring)*, That the Legislature of the State of Wisconsin urges the passage by Congress of the above-mentioned bill; be it further

*Resolved*, That a copy of this resolution, duly attested by the presiding officers and chief clerks of the senate and assembly, be forwarded to the Presiding Officers of both Houses of Congress and to the Wisconsin Senators and Representatives therein.

HENRY A. HUBA,  
President of the Senate.  
O. G. MUNSON,  
Chief Clerk of the Senate.  
JOHN W. EBER,  
Speaker of the Assembly.  
C. E. SHAFFER,  
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Florida, which was referred to the Committee on Agriculture and Forestry:

Joint Memorial Resolution 3

To the President and Congress of the United States:

Whereas the Federal Government has built at Muscle Shoals, Ala., at an expense of more than \$150,000,000, a vast plant designated for the manufacture of nitrates for munitions in time of war and for the production of fertilizer products in time of peace; and

Whereas this plant has lain idle for more than eight years, since the close of the World War, thus disregarding one of the specific provisions of the national defense act, under which the plant was authorized, which provision was intended to result in the production of nitrates at a cost that would materially reduce the price of fertilizer to the farmers of the United States; and

Whereas the nitrate plants at Muscle Shoals, representing an investment of \$100,000,000, instead of being operated for the manufacture of cheaper fertilizer for the farmers of the Nation, are and have been idle for many years, while the Wilson Dam development is temporarily leased to private interests; and

Whereas the farmers of the United States are using more than 7,000,000 tons of fertilizer per year, costing more than \$200,000,000, and the farmers of Florida alone are spending more than \$14,000,000 per year for their fertilizer; and

Whereas we have the assurance of competent authorities that the facilities of the Muscle Shoals plant are adequate for the production of ample nitrates for the needs of American agriculture: Therefore be it

*Resolved by the Legislature of the State of Florida*, That the Congress of the United States of America be, and hereby is, memorialized to enact at its next session such legislation as will without further costly delay start the vast Muscle Shoals plant to its intended work, which was the manufacture of nitrates for the needs of our Nation's agriculture, the production of munitions for war, and other national-defense purposes, and that any power in excess of these requirements be distributed to those States within transmission distances; be it further

*Resolved*, That United States Senators FLETCHER and TRAMMELL and Representatives SEARS, DRANE, GREENE, and YON are hereby urgently requested to use their most vigorous effort to accomplish the purpose of this memorial, and that the secretary of the State of Florida be directed to transmit a copy of this memorial, under the great seal of the State, to the President of the United States, to the Congress of this Nation, and to Florida's Senators and Representatives in Congress.

Approved by the Governor May 25, 1927.

STATE OF FLORIDA,

Office Secretary of State, ss:

I, H. Clay Crawford, secretary of state of the State of Florida, do hereby certify that the above and foregoing is a true and correct copy of Joint Memorial Resolution 3, as passed by the Legislature of the State of Florida, session 1927, as shown by the enrolled resolution on file in this office.

Given under my hand and the great seal of the State of Florida, at Tallahassee, the capital, this the 15th day of November, A. D. 1927.

[SEAL.]

H. CLAY CRAWFORD,  
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following memorials of the Legislature of the State of Montana, which were referred to the Committee on Agriculture and Forestry:

UNITED STATES OF AMERICA,

State of Montana, ss:

I, R. N. Hawkins, secretary of state of the State of Montana, do hereby certify that the following is a true and correct copy of an act entitled "A memorial to the Senate of the United States, protesting against the enactment of House Calendar No. 204, S. 481 (Rept. No. 911), commonly known as the corn sugar bill," enacted by the twentieth session of the Legislative Assembly of the State of Montana, and approved by J. E. Erickson, governor of said State, on the 8th day of March, 1927.

In testimony whereof I have hereunto set my hand and affixed the great seal of said State.

Done at the city of Helena, the capital of said State, this 11th day of March, A. D. 1927.

[SEAL.]

R. N. HAWKINS,  
Secretary of State.  
By CLIFFORD L. WALKER,  
Deputy.

Senate Joint Memorial 4

To the honorable Senate of the Congress of the United States:

Your memorialists, the Twentieth Legislative Assembly of the State of Montana, respectfully represent that—

Whereas there is now pending before the Senate of the United States a bill commonly known as the corn sugar bill, being House Calendar No. 204, S. 481 (Rept. No. 911); and

Whereas said bill if enacted would permit the adulteration of about 75 per cent of our food products with corn sugar without declaring the presence of such sugar on the package or other container of such foods; and

Whereas such adulteration is contrary to the existing provisions of the national pure food and drug law and would, if permitted, tend to weaken said law in a vital respect and to greatly reduce the efficiency thereof; and

Whereas we regard the passage of such pending legislation as detrimental to the maintenance of the purity of food products: Therefore be it

*Resolved by the Twentieth Legislative Assembly of the State of Montana*, That we do hereby memorialize the Senate of the United States to refuse to enact the legislation aforesaid; and be it further

*Resolved*, That a copy of this memorial be forwarded by the secretary of state to the Senate and House of Representatives of the United States, and to each of the Senators and Representatives in Congress from Montana.

W. S. McCORMACK,  
President of the Senate.  
G. T. DAVIS,  
Speaker of the House.

Approved March 8, 1927,

Filed March 8, 1927, at 4 o'clock p. m.

J. E. ERICKSON,  
Governor.

R. N. HAWKINS,  
Secretary of State.

UNITED STATES OF AMERICA,

State of Montana, ss:

I, R. N. Hawkins, of the State of Montana, do hereby certify that the following is a true and correct copy of an act entitled "Memorial to the Congress of the United States to enact such legislation as may be necessary to require payment of all moneys received from each forest reserve, after deducting administrative and other expenses, to the State or Territory in which such forest reserve is located for the benefit of the public schools and public roads of such State or Territory," enacted by the twentieth session of the Legislative Assembly of the State of Montana, and approved by J. E. Erickson, governor of said State, on the 26th day of February, 1927.

In testimony whereof I have hereunto set my hand and affixed the great seal of said State.

Done at the city of Helena, the capital of said State, this 3d day of March, A. D. 1927.

[SEAL.]

C. T. STEWART,  
Secretary of State.

Senate Joint Memorial 3

To the honorable Senate and House of Representatives of the United States of America:

Your memorialists, the members of the Twentieth Legislative Assembly of the State of Montana, the senate and house concurring, respectfully represent:

Whereas by an act of Congress of May 23, 1908, provision is made for payment of 25 per cent of all moneys received from each forest reserve to the treasurer of the State or Territory in which said reserve is located for the benefit of the public schools and public roads of the county or counties in which said forest reserve is located; and

Whereas it is the belief of your memorialists that each State and Territory is justly entitled to and should receive all of the moneys from the forest reserve in such State or Territory after deducting administrative and other expenses: Now therefore be it

*Resolved*, That it is the sense of the Legislative Assembly of the State of Montana that the Congress of the United States should enact such legislation as may be necessary to require the payment to each State and Territory in which forest reserves are located of all moneys received from such forest reserves less administrative and other expenses; be it further

*Resolved*, That a copy of this memorial be sent to the Senate and House of Representatives of the United States and to each of the Senators and Representatives of Montana in Congress.

W. S. MCCORMACK,  
*President of the Senate.*  
G. T. DAVIS,  
*Speaker of the House.*

Approved February 26, 1927.

J. E. ERICKSON, *Governor.*

Filed February 26, 1927, at 4 o'clock p. m.

C. T. STEWART,  
*Secretary of State.*

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of North Dakota, which was referred to the Committee on Public Lands and Surveys:

UNITED STATES OF AMERICA,  
DEPARTMENT OF STATE, STATE OF NORTH DAKOTA.

To all to whom these presents shall come:

I, Robert Byrne, secretary of state of the State of North Dakota, do hereby certify that the following concurrent resolution was adopted by the twentieth legislative assembly on the 28th day of February, 1927.

Dated at Bismarck, N. Dak., this the 28th day of February, 1927.

[SEAL.]

ROBERT BYRNE,  
*Secretary of State.*

Concurrent resolution memorializing the Congress of the United States to establish the Roosevelt national park in Billings County, N. Dak., and to provide for the substitution of public lands of the United States for the State school lands located within the proposed park area

*Be it resolved by the House of Representatives of the State of North Dakota (the Senate concurring)*—

Whereas there is now pending in the Congress of the United States a bill to establish the Roosevelt national park in Billings County, N. Dak., introduced by Congressman SINCLAIR, of North Dakota, December 7, 1925, being H. R. 3942; and

Whereas the tract of land in such proposed park consists of the petrified forest and the famous Bad Lands, lying on both sides of the Little Missouri River, in Billings County, N. Dak., where Theodore Roosevelt operated his historic cattle ranches and hunted wild game in the early history of Dakota Territory, and which tract is admirably fitted by nature for scenic purposes, and preserves in its natural state the mountainous character and the wild, unchanged condition which existed in the West 50 years ago; and which tract it is practicable and appropriate to preserve as a national park in the honor of Theodore Roosevelt, in the interest of American scenic beauty, and as a relic of the traditional pioneer conditions of the West, which have all but disappeared from the North American Continent; and

Whereas there is included in said proposed park area approximately 42,000 acres of public lands belonging to the State of North Dakota known as State school lands, which was granted to it by the United States under sections 10 and 11 of the enabling act of February 22, 1889, to be held in trust by the State of North Dakota for the common schools, which lands, on account of its rough and barren character, can not be sold for the minimum price of \$10 per acre, as prescribed in section 11 of said enabling act, and from which the State of North Dakota gets only a nominal income; and it further appearing that it would be expedient to exchange the said State school lands located within such proposed park area for public lands of the United States of like quantity, character, and value located in the vicinity of such proposed park: Now therefore be it

*Resolved*, That this Twentieth Legislative Assembly of the State of North Dakota hereby indorses said Roosevelt national-park project and respectfully urges the Congress of the United States to establish a national park as provided for in said H. R. 3942; and be it further

*Resolved*, That Congress, in furtherance of said park project, make appropriate provision for exchanging with the State of North Dakota public lands of the United States of equal quantity, character, and value for the State school lands lying within said proposed park area heretofore granted to the State of North Dakota under the provisions of sections 10 and 11 of the enabling act of February 22, 1889; and be it further

*Resolved*, That the secretary of state transmit copies of this memorial to the President of the United States, to the Senate and House of Rep-

resentatives of the United States, and to the Senators and Congressmen for the State of North Dakota.

JNO. W. CARR,  
*Speaker of the House.*  
C. R. VERRY,  
*Chief Clerk of the House.*  
WALTER MADDOCK,  
*President of the Senate.*  
W. D. AUSTIN,  
*Secretary of the Senate.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Public Lands and Surveys:

Joint Resolution 29, memorializing Congress to protest against the surrender of land in Michigan and Wisconsin by the Department of the Interior to private interests

Whereas the public welfare demands that there should be no interference with the homestead preference rights of soldiers and sailors as conferred on them by act of Congress of February 14, 1920; and

Whereas there is at present pending in Congress a bill known as H. R. 16547, which will give the Secretary of the Interior the right to withdraw large tracts of land in Michigan and Wisconsin from homestead entry; and

Whereas the passage of such a bill would deprive all war veterans and their widows as well as private citizens of the homestead privilege in Michigan and Wisconsin and would permit the acquisition of lands by speculators: Now therefore be it

*Resolved by the assembly (the senate concurring)*, That the Legislature of the State of Wisconsin earnestly requests the Congress of the United States to indefinitely postpone action on H. R. 16547; and be it further

*Resolved*, That a copy of this resolution, duly attested by the presiding officers and chief clerks of the senate and assembly, be forwarded to the Presiding Officers of both Houses of Congress and to the Wisconsin Senators and Representatives therein.

HENRY A. HUBER,  
*President of the Senate.*  
O. G. MUNSON,  
*Chief Clerk of the Senate.*  
JOHN W. EBER,  
*Speaker of the Assembly.*  
C. E. SHAFFER,  
*Chief Clerk of the Assembly.*

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Minnesota, which was referred to the Committee on Interstate Commerce:

Concurrent Resolution 8, memorializing Congress of the United States to amend the transportation act of 1920 sufficiently to restore to the State of Minnesota general jurisdiction over its intrastate railroad rates

Whereas there has prevailed in the State of Minnesota, since 1913, a policy of railroad rate making pursuant to legislative enactments, known as the distance scale of railroad freight rates; and

Whereas the State of Minnesota has deemed it of the best interest to all of its citizens and communities to prohibit discriminations and preferences by requiring railroads to publish rates on the basis of a like charge for a like distance for a like class of traffic; and

Whereas the Interstate Commerce Commission of the United States, acting upon applications filed pursuant to the Federal transportation act of 1920, has issued orders in the so-called Watertown and Fargo cases authorizing the rail carriers to publish and charge rates for the carrying of freight between points within the State of Minnesota on the basis of different charges for equal distances on class traffic; and

Whereas such orders of the Interstate Commerce Commission have created unjust discriminations against and undue preference of persons and localities within the State of Minnesota to the detriment and disadvantage of such persons and localities; and

Whereas it has been held by the Supreme Court of the State of Minnesota that the railroad and warehouse commission of this State is without authority to order the removal of such discriminations existing between persons and localities within the State of Minnesota; and

Whereas the railroad and warehouse commission is under injunction of the United States District Court for the District of Minnesota, prohibiting said commission from interfering with the different scales of rates on class traffic published and charged by the railroads under authority of said orders of the Interstate Commerce Commission; and

Whereas by reason of said orders of the Interstate Commerce Commission, there has been created and now exists within the State of Minnesota three different scales of rates for movement of class traffic between points within the State of Minnesota over like distances; and

Whereas the scale of rates on class traffic maintained by the railroads for movement of freight between points within the State of Min-

nesota prior to the issuance of said orders by the Interstate Commerce Commission were rates which were found by the Supreme Court of the United States in the Minnesota rate cases to be not confiscatory, as increased and decreased by the Minnesota Railroad and Warehouse Commission pursuant to recommendations of the Interstate Commerce Commission in proceedings affecting the general level of rates throughout the western district, and also the order of the Director General of Railroads, No. 28; and

Whereas such scale of rates published by the railroads for the movement of class traffic, within the State of Minnesota as authorized by the railroad and warehouse commission, was never the subject of an application for increase by the railroads to either the railroad and warehouse commission of the State of Minnesota or the intrastate commerce commission prior to said orders of the Interstate Commerce Commission: Therefore be it

*Resolved by the Senate of the State of Minnesota (the House concurring),* That the Senate and House of Representatives of the United States of America be and hereby is earnestly requested to immediately amend the transportation act of 1920 so as to restore to the State of Minnesota general jurisdiction over its intrastate railroad rates so as to prevent the creation by orders of the Interstate Commerce Commission of intrastate discriminations and preferences in cases affecting the level of intrastate rates.

JOHN A. JOHNSON,  
*Speaker of the House of Representatives.*  
W. I. NOLAN,  
*President of the Senate.*

Passed the house of representatives the 25th day of February, 1927.

JOHN I. LEVIN,  
*Chief Clerk, House of Representatives.*

Passed the senate the 1st day of March, 1927.

GEO. W. PEACHEY,  
*Secretary of the Senate.*

Approved: March 1, 1927.

THEODORE CHRISTIANSON,  
*Governor.*

Filed: March 1, 1927.

MIKE HOLM,  
*Secretary of State.*

I, Mike Holm, secretary of the State of Minnesota, and keeper of the great seal, do hereby certify that the above and foregoing is a true and correct copy of the resolution filed in my office March 1, 1927.

[SEAL.]  
MIKE HOLM,  
*Secretary of State.*

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of New Jersey, which was referred to the Committee on Interstate Commerce:

Concurrent Resolution 1, memorializing the Congress of the United States for the passage of a Federal law regulating the shipment of machine guns, revolvers, automatic rifles, and other deadly weapons, and the ammunition adapted thereto, in interstate and foreign commerce

Whereas stricter supervision in the matter of the sale, shipment, and importation of revolvers, machine guns, automatic rifles, and other deadly weapons will materially aid in the suppression of crime; and

Whereas the Federal Government, by reason of its exclusive control in interstate commerce, may regulate the shipment and importation of revolvers, machine guns, automatic rifles, and other deadly weapons: Therefore be it

*Resolved by the Senate and General Assembly of the State of New Jersey—*

1. That the Congress of the United States be memorialized for the passage of a Federal statute prohibiting the shipment of revolvers, machine guns, automatic rifles, and other deadly weapons in interstate and foreign commerce.

2. *Resolved,* That copies of this memorial, signed by the speaker of the house of assembly and attested by the clerk thereof, be transmitted to the Senators and Representatives from this State in the Congress of the United States; and, further, that copies so signed and attested be transmitted to the Vice President of the United States and the Speaker of the House of Representatives.

ANTHONY J. SIRACUSA,  
*Speaker of the House of Assembly.*

Attest:

FREDERICK A. BRODESSER,  
*Clerk of the House of Assembly.*

Passed senate March 7.

Passed house January 31.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Public Buildings and Grounds:

Assembly Joint Resolution 5 memorializing Congress to establish a Government hospital in the State of Nevada

Whereas the State of Nevada has always been among the foremost in furnishing men, money, and otherwise supporting the Federal Government in the defense and preservation of the Union; and

Whereas many ex-service men and women reside within the State of Nevada and vicinity; and

Whereas Nevada, due to its favorable climatic condition for the treatment of various diseases, should be considered: Now therefore be it

*Resolved by the Assembly and the Senate of the State of Nevada,* That the Congress of the United States be memorialized to establish a Government hospital within the State of Nevada for the treatment of disabled ex-service men and women; and be it further

*Resolved,* That certified copies of this resolution be forwarded to the President of the United States Senate and to the Speaker of the House, to each of our Senators, and to our Representative in Washington.

D. H. TANDY,  
*Speaker of the Assembly.*  
JOHN W. WRIGHT,  
*Chief Clerk of the Assembly.*  
MORLEY GRISWOLD,  
*President of the Senate.*  
V. R. MERALDO,  
*Secretary of the Senate.*

Approved February 25, 1927.

STATE OF NEVADA,  
*Department of State, ss:*

I, W. G. Greathouse, the duly elected, qualified, and acting secretary of state of the State of Nevada, do hereby certify that the foregoing is a true, full, and correct copy of the original assembly joint resolution now on file and of record in this office.

In witness whereof I have hereunto set my hand and affixed the great seal of State, at my office in Carson City, Nev., this 28th day of February, A. D. 1927.

[SEAL.]

W. G. GREATHOUSE,  
*Secretary of State.*

The VICE PRESIDENT also laid before the Senate the following house resolution of the Legislature of the State of Illinois, which was referred to the Committee on Patents:

STATE OF ILLINOIS,  
OFFICE OF THE SECRETARY OF STATE.

*To all to whom these presents shall come, greeting:*

I, Louis L. Emmerson, secretary of state of the State of Illinois, do hereby certify that the following and hereto attached is a true photostatic copy of House Resolution 68, the original of which is now on file and a matter of record in this office.

In testimony whereof, I hereto set my hand and cause to be affixed the great seal of the State of Illinois. Done at the city of Springfield this 17th day of June, A. D. 1927.

[SEAL.]

LOUIS L. EMMERSON,  
*Secretary of State.*

House Resolution 68

Whereas under the present copyright act a person who has copyrighted a musical composition has not only the exclusive right to print, reprint, publish, copy, and vend that composition, but the additional exclusive right to use that composition publicly for profit; and

Whereas the copyright act provides that the copyright proprietor may recover a sum in certain cases of as much as \$100 from the offender for the infringement of this exclusive right to use the composition publicly for profit; and

Whereas protected by this act certain copyright proprietors, in addition to the purchase price, charge unreasonable and exorbitant prices for permission to use the composition publicly for profit; and

Whereas the various copyright proprietors have formed an organization known as the American Society of Composers, Authors, and Publishers for the enforcement of the said provisions of the copyright act and for the protection of their interests thereunder; and

Whereas the American Society of Composers, Authors, and Publishers maintains a supergovernmental enforcement agency with investigators always ready to descend upon any offender and bring him to task; and

Whereas this additional fee for permission to use the composition publicly for profit, and the penalties for infringement of the same, are paid to the copyright proprietor, who ordinarily is not the author or composer of the composition; and

Whereas these provisions of the copyright act are inimicable to the best interests of a majority of the people and make it impossible to present this music to them at reasonable prices: Therefore be it

*Resolved by the House of Representatives of the Fifty-fifth General Assembly of the State of Illinois,* That the Congress of the United

States be memorialized to amend the copyright act of 1909 to provide that a person who has copyrighted a dramatico-musical or a choral or orchestral composition or other musical composition, which composition is offered for sale to the public, shall not have the exclusive right to perform the copyrighted work publicly for profit nor be entitled to receive any fee or price in addition to the purchase price for permission to use the composition in a public performance for profit, nor be entitled to any penalty if the composition is so used without the permission of the copyright proprietor; and be it further

*Resolved*, That a copy of this resolution be delivered to the Speaker of the House of Representatives and the President of the Senate of the United States, and also to each Congressman and Senator from the State of Illinois.

I hereby certify the foregoing to be a true copy of a resolution adopted by the house of representatives on the 2d day of June, 1927.

B. H. McCANN,  
*Clerk of the House.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Privileges and Elections:

Assembly Joint Resolution 3

Adopted in assembly March 18, 1927.

ARTHUR A. OHNIMUS,  
*Chief Clerk of the Assembly.*

Adopted in Senate April 4, 1927.

J. A. BEEK,  
*Secretary of the Senate.*

This resolution was received by the governor this 12th day of April, A. D. 1927, at 4 o'clock p. m.

HOMER R. SPENCE,  
*Private Secretary of the Governor.*

Assembly Joint Resolution 3, relative to the congressional reapportionment of the United States

Whereas the provisions of the Federal Constitution providing for a reapportionment of the Representatives in Congress from the several States every 10 years, based upon the Federal census, has not been acted upon since 1910; and

Whereas the present representation in the House of Representatives is based upon the census of 1910, an injustice is imposed upon many States where population has materially increased; and

Whereas the population of the State of California, according to the census of 1920, was 3,426,536, an increase over the population of 1910 of 1,048,987, showing conclusively that the State of California is entitled to more representation in the House of Representatives; and

Whereas it is pointed out that a policy of depriving the State of its proper representation is exceedingly detrimental to the republican form of government; and

Whereas it is deplored that there are differences of opinion and selfishness manifested on the part of those sections which either lose or do not gain in representation: Therefore be it

*Resolved by the Assembly and the Senate of the State of California jointly*, That the Legislature of the State of California earnestly petition Congress to enact legislation which will give to the several States of the United States their just representation in Congress based upon the last Federal census; and be it further

*Resolved*, That the secretary of state is hereby directed to send copies of this resolution under the great seal of the State of California to the President and Vice President of the United States, to each Member of the Senate and the House of Representatives of the Seventieth Congress of the United States and to the governors of each of the several States.

EDGAR C. LEVEY,  
*Speaker of the Assembly.*  
BIRON FITTS,  
*President of the Senate.*

Attest:

FRANK C. JORDAN,  
*Secretary of State.*  
By FRANK H. CORY, *Deputy.*

[SEAL.]

(Indorsed:) Filed in the office of the secretary of state of the State of California, April 12, 1927.

FRANK C. JORDAN,  
*Secretary of State.*  
By FRANK H. CORY, *Deputy.*

I, Frank C. Jordan, secretary of state of the State of California, do hereby certify that I have carefully compared the transcript to which this certificate is attached with the record on file in my office, of which it purports to be a copy, and that the same is a full, true, and correct copy thereof. I further certify that this authentication is in due form and by the proper officer.

In witness whereof I have hereunto set my hand and have caused the great seal of the State of California to be affixed hereto this 18th day of April, A. D. 1927.

[SEAL.]

FRANK C. JORDAN,  
*Secretary of State.*  
By FRANK H. CORY, *Deputy.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Illinois, which was referred to the Special Committee on Investigation of Campaign Expenditures:

STATE OF ILLINOIS.  
OFFICE OF THE SECRETARY OF STATE.

To all to whom these presents shall come, greeting:

I, Louis L. Emmerson, secretary of state of the State of Illinois, do hereby certify that the following and hereto attached is a true photostatic copy of House Joint Resolution 45, the original of which is now on file and a matter of record in this office.

In testimony whereof I hereto set my hand and cause to be affixed the great seal of the State of Illinois. Done at the city of Springfield this 23d day of November, A. D. 1927.

[SEAL.]

LOUIS L. EMMERSON,  
*Secretary of State.*

House Joint Resolution 45

*Resolved by the House of Representatives of the State of Illinois (the Senate concurring therein):*

Whereas the seventeenth amendment of the Constitution of the United States makes mandatory that "the Senate of the United States shall be composed of two Senators from each State, elected by the people thereof, for six years," and by reason of this constitutional provision the State of Illinois is entitled to, and guaranteed two Senators in the Senate of the United States; and

Whereas on or about the 7th day of December, A. D. 1926, the Hon. William B. McKinley, one of the United States Senators representing the State of Illinois in the United States Senate, departed this life and thereupon by reason of this vacancy the Hon. FRANK L. SMITH was, in accordance with the Constitution and statutes, appointed to fill the unexpired term of said William B. McKinley as United States Senator from Illinois, and the said Hon. FRANK L. SMITH presented the credentials in proper form under the great seal of the State of Illinois, to the United States Senate, and the United States Senate, without questioning the legal form and force of said credentials, nor questioning the constitutional qualifications of the said Hon. FRANK L. SMITH, nor the guaranteed right under the Constitution of the United States for full representation to membership in the United States Senate by the State of Illinois, refused to administer the oath of office to the said Hon. FRANK L. SMITH and by that act denied to the State of Illinois equal representation in the said Senate of the United States; and

Whereas for a period of nearly 140 years since the adoption of the Constitution of the United States and the amendment recited above the rights of a sovereign State to equal representation in the Senate of the United States wherein the credentials and constitutional qualifications were unquestioned, has never before been denied by the Senate of the United States refusing to administer the constitutional oath of office; and

Whereas this same question on an objection to the right of a Senator elect to take the prescribed constitutional oath of office was once before raised against the State of Illinois, but upon the able representation of the constitutional rights of the State of Illinois by Hon. Stephen A. Douglas, senior Senator from Illinois, in the matter of the credentials of Gen. James Shields, a Senator elect from Illinois, the United States Senate finally declared that the guaranteed constitutional rights of a sovereign State should not be abridged by a denial of the right of a Senator elect to take the oath, and by this action established a historic precedent; and

Whereas one of the early proposed amendments to the Constitution making it possible for United States Senators to be elected by a direct vote of the people was advocated by Senator John M. Palmer, of Illinois, and subsequently became a part of the fundamental law of the land; and

Whereas the said Hon. FRANK L. SMITH has been by majority of the people of the State of Illinois, after a full presentation, discussion, and consideration of all issues involved, elected as a Senator of the United States from the State of Illinois and no contest has issued against said election, and credentials have been accepted by the United States Senate as being in due form, and the qualifications of the said United States Senator elect are in full compliance with all constitutional and statute requirements; and

Whereas the only test provided in the Constitution of the United States as to the qualifications of a Member of the Senate of the United States is as follows:

"No person shall be a Senator who shall not have attained to the age of 30 years and been nine years a citizen of the United States and who shall not, when elected, be an inhabitant of that State for which he shall be chosen"; and

Whereas amendment 17 of the Constitution of the United States provides that—

"The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof, for six years, and each Senator shall have one vote. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures"; and

Whereas Article V of the Constitution of the United States provides—  
" \* \* \* That no State, without its consent, shall be deprived of its equal suffrage in the Senate"; and

Whereas Article I, section 5, of the United States Constitution provides that—

"Each House shall be the judge of the elections, returns, and qualifications of its own Members, and a majority of each shall constitute a quorum to do business.

"Each House may determine the rules of its procedure, punish its Members for disorderly behavior, and, with the concurrence of two-thirds, expell a Member"; and

Whereas reference to the above article and section of the Constitution provides: "Each House shall be the judge of the elections, returns, and qualifications of its own Members," etc.; and

Whereas the uniform construction of this provision has been accepted that "qualifications of its own Members" can not be construed otherwise, that in order to be a "Member" it is obvious that the taking of the required oath constitutes membership, and that previous to the taking of the required oath the Senate has no jurisdiction on another than a "Member," and the Senate shall subsequent to the taking of the oath be the judge of the qualification of the Member; and

Whereas the Constitution of the United States further provides by amendment 10 that—

"The powers not delegated to the United States by the Constitution nor prohibited by it to the States, are reserved to the States respectively or to the people"; and

Whereas the foregoing are all of the relevant provisions in the Constitution with respect to the power of the Senate over the selection of Senators; and

Whereas the credentials of the said Hon. FRANK L. SMITH hereinafore recited, constitute a mandate of the choice of a majority of the people of the State of Illinois, at a general election and which selection and choice by a majority of the people of the State of Illinois is uncontested, and that said election is for a period of six years, and that the continued refusal of the Senate of the United States to administer the oath of office to the said Hon. FRANK L. SMITH as United States Senator from Illinois will result in depriving the State of Illinois of the full representation in the Senate of the United States for a period of six years; to which it is by the Constitution of the United States entitled and guaranteed: Therefore be it

*Resolved by the people of the State of Illinois, represented by the general assembly,* That in view of the foregoing it be respectfully presented to the Senate of the United States of the Seventieth Congress that the people of the State of Illinois are clearly within their rights in the expectation that the credentials of the Hon. FRANK L. SMITH now on file in the Senate of the United States entitle the said Hon. FRANK L. SMITH to take the oath of office to which he has been elected as a United States Senator from the State of Illinois; and be it further

*Resolved,* That a copy of this resolution be directed to the Vice President of the United States, the constitutional presiding officer of the United States Senate, and a copy of this resolution be transmitted to the Hon. CHARLES S. DENEEN, senior United States Senator from Illinois, with the request and direction that these resolutions be presented to the Senate of the United States, to the end that the sovereign State of Illinois shall not be deprived of the rights of full representation in the Senate of the United States, as guaranteed by the Constitution of the United States; and be it further

*Resolved,* That a delegation on the constitutional rights of the State of Illinois be, and the same is hereby, created, the said delegation to consist of the speaker of the house of representatives, the president of the senate, and two members of the house of representatives to be appointed by the speaker thereof, and two members of the senate, to be appointed by the president of the senate on the nomination of the executive committee; and it shall be the duty of said delegation on the constitutional rights of the State of Illinois to appear before the Senate of the United States, or any of its committees or subcommittees, upon the convening of said Senate and at any time thereafter, and to present to said Senate and its committees a consideration of the constitutional rights of this State; and on behalf of the people of this State respectfully to insist upon a recognition by the Senate of the United States of the constitutional right of this State to be represented in the Senate of the United States by two Senators, and that said constitutional right

be recognized by the administration of the oath to the Hon. FRANK L. SMITH as United States Senator from this State.

Adopted by the house June 16, 1927.

ROBERT SCHOLEN,  
*Speaker of the House of Representatives.*  
B. H. McCANN,  
*Clerk of the House of Representatives.*

Concurred in by the senate June 21, 1927.

FRED E. STERLING,  
*President of the Senate.*  
JAMES H. PADDOCK,  
*Secretary of the Senate.*

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Florida, which was ordered to lie on the table:

Senate Concurrent Resolution 5, proposing the rejection by the Legislature of the State of Florida of the proposed amendment to the Constitution of the United States provided for by House Joint Resolution 184 of the Sixty-eighth Congress of the United States, conferring upon Congress power to limit, regulate, and prohibit the labor of persons under 18 years of age

Whereas the Sixty-eighth Congress of the United States has adopted House Joint Resolution 184, by the constitutional vote of the Senate and House of Representatives of the United States, whereby an amendment to the Constitution of the United States is proposed to the several States for ratification or rejection, said proposed amendment reading as follows:

"SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

"SEC. 2. The power of the several States is unimpaired by this article, except that the operation of State laws shall be suspended to the extent necessary to give effect to the legislation enacted by the Congress"; and

Whereas the Legislature of the State of Florida, while being in full sympathy and accord with the humanitarian spirit which led to the submission of said proposed amendment of the Congress of the United States, is opposed to further extension of the powers of the Federal Government to invade and take away the inherent powers reserved by the several States: Now therefore be it

*Resolved by the Legislature of the State of Florida,* That the proposed amendment to the Constitution of the United States contained in House Joint Resolution 184 of the Sixty-eighth Congress of the United States proposing an amendment to the Constitution of the United States, which amendment reads as follows, to wit,

"SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

"SEC. 2. The power of the several States is unimpaired by this article, except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress,"

be, and the same is hereby, rejected by the Legislature of the State of Florida in regular session assembled; and that the action of this legislature thereon be forthwith certified to the Secretary of State of the United States by the secretary of state of Florida under the great seal of the State, and that certified copies of this resolution be sent by the secretary of state of the State of Florida to the President and Vice President of the United States and to the Speaker of the House of Representatives of the United States.

(Filed in office secretary of state May 14, 1925.)

STATE OF FLORIDA,  
OFFICE OF SECRETARY OF STATE.

I, H. Clay Crawford, secretary of state of the State of Florida, do hereby certify that the above and foregoing is a true and correct copy of Senate Concurrent Resolution 5 as passed by the Legislature of the State of Florida, regular session 1925, as shown by the enrolled resolution on file in this office.

Given under my hand and the great seal of the State of Florida at Tallahassee, the capital, this the 4th day of May, A. D. 1927.

[SEAL.]

H. CLAY CRAWFORD,  
*Secretary of State.*

Mr. WARREN presented a petition of sundry citizens of Torrington, Wyo., praying for the abolition of the tax imposed on tickets to Chautauqua entertainments, which was referred to the Committee on Finance.

He also presented resolutions adopted by the Business and Professional Women's Club of Casper, Wyo., favoring an increase in the personal exemption of single persons in computing their income taxes, which were referred to the Committee on Finance.

Mr. DENEEN presented a memorial of sundry citizens of Murphysboro, Ill., remonstrating against the passage of legis-

lation providing for compulsory Sunday observance, which was referred to the Committee on the Judiciary.

Mr. CAPPER presented resolutions adopted by a mass meeting of women of Harper County, Kans., praying for the passage of the so-called Capper-Ketcham bill, providing for the further development of agricultural extension work and home economics, etc., which were referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by Cherokee Lodge, No. 370, Brotherhood of Railroad Trainmen, of Parsons, Kans., favoring the passage of legislation providing for the installation by railroads of a device to make for further safety in the use of running boards on freight and tank cars, steps on caboose and passenger cars, safe brakes and foot boards on locomotives, etc., which was referred to the Committee on Interstate Commerce.

Mr. EDGE presented petitions numerous signed of the Monmouth County Bankers' Association and sundry other citizens, all in the State of New Jersey, praying for the repeal of the Federal estate (inheritance) tax, which were referred to the Committee on Finance.

#### CONSPIRACIES TO DEFAUD THE GOVERNMENT

Mr. WALSH of Montana. Mr. President, I introduce a bill and ask that it be read at length.

The bill (S. 1397) amending section 1044 of the Revised Statutes of the United States as amended by the act approved November 17, 1921 (ch. 124, 42 Stat. 220), was read the first time by its title and the second time at length, as follows:

*Be it enacted, etc.,* That section 1044 of the Revised Statutes of the United States as amended by the act approved November 17, 1921 (ch. 124, 42 Stat. p. 220), be amended so as to read as follows:

"SEC. 1044. No person shall be prosecuted, tried, or punished for any offense, not capital, except as provided in section 1046, unless the indictment is found, or the information is instituted, within three years next after such offense shall have been committed: *Provided*, That nothing herein contained shall apply to any offense for which an indictment has been heretofore found or an information instituted, or to any proceedings under any such indictment or information."

Mr. WALSH of Montana. I have asked that the bill be read because, being a matter of very decided urgency, I am going to ask unanimous consent for its immediate consideration.

It will be recalled that prior to the year 1921 the statute of limitations as to all offenses against the United States not capital in character was three years. At that time the Attorney General represented that he was desirous of having further time to investigate alleged war frauds, that the facts were intricate and involved, and that possibly the statute of limitations might run before it would be possible to obtain indictments. He asked that the period of the statute of limitations applicable to conspiracies to defraud the Government of the United States should be extended from three years to six years. The Congress promptly responded and extended to six years the period of the statute as to that particular class of offenses.

It is not purposed by the department, as announced some time ago, to attempt any further prosecutions of offenses of that character; that is to say, offenses giving rise to the statute. Moreover, the whole period of six years has now run against all offenses of that character and there is no longer any occasion for a six-year statute. But it may be remembered that it was availed of in a recent trial in the District of Columbia to protect a witness from testifying, he claiming his constitutional privilege. It is hoped that the legislation may be enacted by the Congress before the trial of that case is resumed.

I have taken the matter up with the Department of Justice and have a letter from the Assistant Attorney General, who approves the measure. I ask that the letter may be read from the desk.

The VICE PRESIDENT. Without objection, the letter will be read as requested.

The Chief Clerk read the letter, as follows:

DEPARTMENT OF JUSTICE,  
OFFICE OF THE ASSISTANT TO THE ATTORNEY GENERAL,  
Washington, December 12, 1927.

HON. THOMAS J. WALSH,

United States Senate, Washington, D. C.

MY DEAR SENATOR WALSH: Following our conference of to-day relative to the proposed bill amending section 1044 of the Revised Statutes, I took up with the Attorney General the matter of his approval.

He desires me to say that, in view of the fact that such an amendment would not affect any case now pending, he therefore approves the form of the bill proposed.

For your information I refer you to a letter that I wrote December 3 to Senator Pomerene, in which I inclosed an amendment to the six-year limitation law which would simply change the word "six" to "four."

Very truly yours,

WILLIAM J. DONOVAN,  
The Assistant to the Attorney General.

Mr. WALSH of Montana. The whole effect of the proposed law is to restore the statute of limitations as it was prior to 1921, making the statute as to all offenses, except those capital in character, three years. The bill provides that the proposed statute shall not apply to any proceedings now pending.

The VICE PRESIDENT. Is there objection to the immediate consideration of the bill?

Mr. BRUCE. Mr. President, I would like to know a little more about it. Is it the purpose of the bill to extend the limitation to enable some particular person to be punished for a crime?

Mr. WALSH of Montana. No; it is just the other way. It is to reduce the statute of limitations from six years to three years.

Mr. JONES of Washington. Mr. President, I think it has been the uniform rule of the Senate not to pass bills without having been first referred to a committee. I take it that the Judiciary Committee could act on this bill by to-morrow. I do not like to object to the bill which the Senator from Montana calls up in this way, but I really think it ought to go to a committee and let the committee consider it. I think that on the statement of the Senator the committee might be polled, at any rate, on it, so there will be no trouble about the matter, and the bill might be reported even this afternoon. After a report from the committee, I shall have no objection at all to the bill.

Mr. WALSH of Montana. Very well.

Mr. JONES of Washington. I ask that the bill may be referred to the committee.

The VICE PRESIDENT. If there be no objection, the bill, with the accompanying letter, will be referred to the Committee on the Judiciary.

#### TIME WHEN PARDONS EFFECTIVE

Mr. WALSH of Montana. I now introduce another bill, which I simply ask may be read and referred to the Committee on the Judiciary.

The bill (S. 1398) relating to pardons, was read the first time by its title and the second time at length, as follows:

*Be it enacted, etc.,* That a pardon shall be effective to all intents and purposes from the time of its delivery or presentation, by or under the authority of the President, to the individual named therein as the object of executive clemency whether the same shall have been accepted by such person or not.

Mr. WALSH of Montana. I move that the bill be referred with the accompanying paper, to the Committee on the Judiciary.

The motion was agreed to.

#### BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILLIS:

A bill (S. 1399) to establish the office of insular affairs, and for other purposes; to the Committee on Territories and Insular Possessions.

A bill (S. 1400) granting an increase of pension to Jane Richards (with accompanying papers);

A bill (S. 1401) granting an increase of pension to Mary L. Higby (with accompanying papers); and

A bill (S. 1402) granting an increase of pension to Ruth J. Wilson (with an accompanying paper); to the Committee on Pensions.

By Mr. BARKLEY:

A bill (S. 1403) granting an increase of pension to Josephine W. Dade; to the Committee on Pensions.

A bill (S. 1404) to regulate the business of executing bonds for compensation in criminal cases, and to improve the administration of justice in the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 1405) authorizing and directing the Secretary of Agriculture to establish and maintain a dairy experiment station at or near Mayfield, Ky.; to the Committee on Agriculture and Forestry.

A bill (S. 1406) granting the consent of Congress to Valley Bridge Co. (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Cumberland River;

A bill (S. 1407) granting the consent of Congress to Valley Bridge Co. (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Cumberland River;

A bill (S. 1408) granting the consent of Congress to Midland Bridge Co. (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Cumberland River;

A bill (S. 1409) granting the consent of Congress to Valley Bridge Co. (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Tennessee River; and

A bill (S. 1410) granting the consent of Congress to Midland Bridge Co. (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Tennessee River; to the Committee on Commerce.

By Mr. McKELLAR:

A bill (S. 1411) granting an increase of pension to Clarissa E. McCormick; to the Committee on Pensions.

By Mr. MAYFIELD:

A bill (S. 1412) for the relief of Maurice S. Hill; to the Committee on Military Affairs.

A bill (S. 1413) to prohibit predictions with respect to cotton prices in any report, bulletin, or other publication issued by the Department of Agriculture or the Department of Commerce, and for other purposes; and

A bill (S. 1414) for the prevention and removal of obstructions and burdens upon interstate commerce in cottonseed oil by regulating transactions on future exchanges, and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 1415) to amend the Judicial Code, as amended, in respect of venue for conspiracy cases; to the Committee on the Judiciary.

A bill (S. 1416) to amend the transportation act approved February 28, 1920 (41 Stat. L. 456), amending the act to regulate commerce, as amended June 29, 1906 (34 Stat. L. 596), and to repeal paragraphs 3 and 4 of section 13 of said act as amended February 28, 1920, and to repeal section 15a of said act, and to amend paragraph 1 of section 15 of the act to regulate commerce, as amended February 28, 1920, and for other purposes; and

A bill (S. 1417) to amend paragraphs (18), (19), and (20) of section 1 of the interstate commerce act, as amended; to the Committee on Interstate Commerce.

By Mr. CAPPER:

A bill (S. 1418) to protect trade-mark owners, distributors, and the public against injurious and uneconomic practices in the distribution of articles of standard quality under a distinguishing trade-mark, brand, or name; to the Committee on Interstate Commerce.

A bill (S. 1419) to provide for weekly pay days for postal employees; to the Committee on Post Offices and Post Roads.

A bill (S. 1420) amending the act approved May 4, 1926, providing for the construction and maintenance of bathing pools or beaches in the District of Columbia;

A bill (S. 1421) providing for acquisition by the United States of America, by purchase or condemnation, of land within the District of Columbia for erection of buildings or for parks, parkways, playgrounds, or other public use, and for other purposes; and

A bill (S. 1422) authorizing the National Capital Park and Planning Commission to acquire future estates and rights in land, and to lease land or existing buildings for limited periods in certain instances; to the Committee on the District of Columbia.

By Mr. NEELY:

A bill (S. 1423) granting an increase of pension to John Rose; and

A bill (S. 1424) granting an increase of pension to Sarah J. Glenn; to the Committee on Pensions.

By Mr. STEPHENS:

A bill (S. 1425) to remove a cloud on title; to the Committee on Public Lands and Surveys.

By Mr. GEORGE:

A bill (S. 1426) for the taking of testimony in actions at common law and in equity in the United States courts; to the Committee on the Judiciary.

A bill (S. 1427) for the relief of W. L. Sellers; to the Committee on Naval Affairs.

A bill (S. 1428) for the relief of R. Bluestein; to the Committee on Claims.

A bill (S. 1429) granting a pension to Augusta Cornog; to the Committee on Pensions.

By Mr. HARRIS:

A bill (S. 1430) to prohibit predictions with respect to cotton prices in any governmental report, bulletin, or other publication; to the Committee on Agriculture and Forestry.

A bill (S. 1431) granting an increase of pension to Caroline M. Bolton; and

A bill (S. 1432) granting a pension to Thomas A. McEntire, alias Thomas Ingalls; to the Committee on Pensions.

A bill (S. 1433) for the relief of J. C. Peixotto; to the Committee on Military Affairs.

A bill (S. 1434) for the relief of Mattie Holcomb; to the Committee on Naval Affairs.

A bill (S. 1435) authorizing the transfer of sewer to the city of Atlanta; to the Committee on the Judiciary.

A bill (S. 1436) to make certain foreign-language newspapers nonmailable; to the Committee on Post Offices and Post Roads.

A bill (S. 1437) to subject certain immigrants, born in countries of the Western Hemisphere, to the quota under the immigration laws; to the Committee on Immigration.

A bill (S. 1438) for the relief of Macon, Dublin & Savannah Railroad Co.;

A bill (S. 1439) for the relief of Henry J. Wright;

A bill (S. 1440) for the relief of H. F. Frick and others;

A bill (S. 1441) for the relief of Samuel W. Tyson;

A bill (S. 1442) for the relief of Brewster Agee;

A bill (S. 1443) for the relief of Seth J. Harris;

A bill (S. 1444) for the relief of Horton B. Herrin; and

A bill (S. 1445) for the relief of S. C. Davis; to the Committee on Claims.

By Mr. BRATTON:

A bill (S. 1446) to create a commission to collect and publish the records of American women in war; to the Committee on Education and Labor.

A bill (S. 1447) to authorize the Secretary of the Treasury to prepare a medal with appropriate emblems and inscriptions commemorative of the services, sacrifices, and patriotism of the American women of all wars in which the United States has participated; to the Committee on Finance.

A bill (S. 1448) for the relief of Omer D. Lewis;

A bill (S. 1449) for the relief of Manuel A. Martinez;

A bill (S. 1450) for the relief of Nicholas Gallegos;

A bill (S. 1451) to extend the benefits of the United States employees' compensation act of September 7, 1916, to Joseph K. Humphrey;

A bill (S. 1452) for the relief of Eugenia Ascarate Griggs;

A bill (S. 1453) for the relief of Sigmund Lindauer; and

A bill (S. 1454) for the relief of J. B. McGhee; to the Committee on Claims.

A bill (S. 1455) to grant extensions of time under coal permits; to the Committee on Public Lands and Surveys.

A bill (S. 1456) to authorize an appropriation for a road on the Zuni Indian Reservation, N. Mex.; to the Committee on Indian Affairs.

A bill (S. 1457) granting a pension to Joseph J. Ivie; to the Committee on Pensions.

By Mr. TRAMMELL:

A bill (S. 1458) providing for a survey of the natural oyster beds in the waters within the State of Florida; to the Committee on Commerce.

A bill (S. 1459) providing for a reduction in the rate of postage on grove and farm products; to the Committee on Post Offices and Post Roads.

By Mr. MOSES:

A bill (S. 1460) granting a pension to Charles W. Carlisle (with accompanying papers); to the Committee on Pensions.

By Mr. CARAWAY:

A bill (S. 1461) to enlarge and extend the post-office building at Jonesboro, Ark.; to the Committee on Public Buildings and Grounds.

Mr. DILL. On behalf of my colleague [Mr. JONES of Washington] and myself, I introduce a bill and ask that it be referred to the Committee on Irrigation and Reclamation.

By Mr. DILL and Mr. JONES of Washington:

A bill (S. 1462) for the adoption of the Columbia Basin reclamation project, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. SACKETT:

A bill (S. 1463) granting a pension to Katharine H. Califf;

A bill (S. 1464) granting a pension to Annie Wilcox (with accompanying papers);

A bill (S. 1465) granting a pension to Nola B. Hinton (with accompanying papers);

A bill (S. 1466) granting an increase of pension to Amanda L. Akin (with accompanying papers);

A bill (S. 1467) granting an increase of pension to Amanda F. Thompson (with accompanying papers);

A bill (S. 1468) granting an increase of pension to Sarah T. Wright (with accompanying papers);

A bill (S. 1469) granting an increase of pension to Esther J. Ramey (with accompanying papers);

A bill (S. 1470) granting an increase of pension to Lorina Hammons (with accompanying papers);

A bill (S. 1471) granting an increase of pension to Lucinda C. Muncey (with accompanying papers);

A bill (S. 1472) granting an increase of pension to Catherine Fist (with accompanying papers); and

A bill (S. 1473) granting an increase of pension to Sarah E. Wells (with accompanying papers); to the Committee on Pensions.

By Mr. THOMAS:

A bill (S. 1474) to establish the Federal emergency relief fund, and for other purposes; to the Committee on Commerce.

A bill (S. 1475) authorizing the Secretary of War to sell a portion of land at Fort Sill Military Reservation, Okla., and to acquire necessary additional land at said reservation; to the Committee on Military Affairs.

A bill (S. 1476) for the relief of Porter Bros. & Biffle, and certain other citizens; to the Committee on Claims.

By Mr. JONES of Washington:

A bill (S. 1477) readjusting the cost of furnishing water to lands of the Yakima Indian Reservation, and for other purposes;

A bill (S. 1478) to authorize an appropriation for the construction of a road on the Lummi Indian Reservation, Washington;

A bill (S. 1479) to add certain lands to the Colville National Forest, Washington; and

A bill (S. 1480) authorizing certain Indian Tribes and bands, or any of them, residing in the State of Washington, to present their claims to the Court of Claims; to the Committee on Indian Affairs.

By Mr. SHIPSTEAD:

A bill (S. 1481) to amend sections 11 and 12 of an act to limit the immigration of aliens into the United States, and for other purposes, approved May 26, 1924; to the Committee on Immigration.

A bill (S. 1482) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes; to the Committee on the Judiciary.

A bill (S. 1483) for the relief of the heirs of John Booren, deceased; to the Committee on Claims.

A bill (S. 1484) granting a pension to William J. Williams; to the Committee on Pensions.

By Mr. BLACK:

A bill (S. 1485) for the relief of T. G. Roberts; and

A bill (S. 1486) for the relief of the owners of the schooner *Addison E. Bullard*; to the Committee on Claims.

By Mr. KENDRICK:

A bill (S. 1487) granting a pension to Alice Baker; and

A bill (S. 1488) granting a pension to Ada Rollins; to the Committee on Pensions.

By Mr. GREENE:

A bill (S. 1489) granting an increase of pension to Hattie A. Sears; to the Committee on Pensions.

By Mr. GOULD:

A bill (S. 1490) for the relief of the heirs of Nathaniel Pendexter, deceased; to the Committee on Claims.

By Mr. SHORTRIDGE:

A bill (S. 1491) for the relief of Harry C. Hall; to the Committee on Civil Service.

A bill (S. 1492) granting a pension to Thomas S. Hanoum; to the Committee on Pensions.

A bill (S. 1493) for the relief of William D. Prideaux;

A bill (S. 1494) for the relief of Edward J. Murphy;

A bill (S. 1495) for the relief of Medical Inspector Royall Roller Richardson, United States Navy; and

A bill (S. 1496) for the relief of Joseph M. Berman; to the Committee on Naval Affairs.

A bill (S. 1497) to correct the military record of James William Cole; to the Committee on Military Affairs.

By Mr. TYDINGS:

A bill (S. 1498) to extend the time for the construction of a bridge across the Chesapeake Bay, and to fix the location of said bridge; to the Committee on Commerce.

By Mr. BAYARD:

A bill (S. 1499) for the relief of Harry C. Saxton; and

A bill (S. 1500) for the relief of James J. Welsh, Edward C. F. Webb, Francis A. Meyer, Mary S. Bennett, William

McMullin, jr., Margaret McMullin, R. B. Carpenter, McCoy Yearsley, Edward Yearsley, George H. Bennett, jr., Stewart L. Beck, William P. McConnell, Elizabeth J. Morrow, William B. Jester, Josephine A. Haggan, James H. S. Gam, Herbert Nicoll, Shallcross Bros., E. C. Buckson, Wilbert Rawley, R. Rickards, Jr., Dredging Co.; to the Committee on Claims.

By Mr. WHEELER:

A bill (S. 1501) granting the consent of Congress to the State of Montana, or Valley County, in the State of Montana, to construct, maintain, and operate a bridge across the Missouri River at or near Glasgow, Mont.; to the Committee on Commerce.

A bill (S. 1502) to provide for the leasing of allotted lands of Indians held in trust by the United States;

A bill (S. 1503) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Flathead Tribe or Nation of Indians of Montana may have against the United States, and for other purposes;

A bill (S. 1504) regulating Indian allotments disposed of by will;

A bill (S. 1505) providing that funds appropriated for the care and relief of Indians of Montana under the direction of the Secretary of the Interior shall be expended through certain public agencies of the State of Montana; and

A bill (S. 1506) for the relief of Thomas Hancock, Fort Peck Indian allottee of Montana; to the Committee on Indian Affairs.

A bill (S. 1507) for the relief of William Boyer; to the Committee on Claims;

A bill (S. 1508) granting a pension to Lida E. Freer; and

A bill (S. 1509) granting a pension to Ross A. Hetrick; to the Committee on Pensions.

A bill (S. 1510) to amend the interstate commerce act; to the Committee on Interstate Commerce.

A bill (S. 1511) for the exchange of lands adjacent to national forests in Montana; and

A bill (S. 1512) to provide for contests of certain oil and gas permits; to the Committee on Public Lands and Surveys.

By Mr. ROBINSON of Indiana:

A bill (S. 1513) granting travel pay and other allowances to certain soldiers of the Spanish-American War and the Philippine insurrection who were discharged in the Philippines; to the Committee on Military Affairs.

A bill (S. 1514) for the relief of Mary R. Long; to the Committee on Claims.

A bill (S. 1515) granting a pension to Ella Eshleman (with accompanying papers);

A bill (S. 1516) granting a pension to Seth Seaton Ward;

A bill (S. 1517) granting a pension to Frank Trout (with accompanying papers);

A bill (S. 1518) granting a pension to Margaret Fondersmith (with accompanying papers);

A bill (S. 1519) granting a pension to Fred Erton (with accompanying papers);

A bill (S. 1520) granting an increase of pension to Nannie M. Hixson (with accompanying papers);

A bill (S. 1521) granting a pension to Mary E. Eubank (with accompanying papers);

A bill (S. 1522) granting a pension to Margaret Shirley (with accompanying papers);

A bill (S. 1523) granting a pension to Laura D. Wilson (with accompanying papers);

A bill (S. 1524) granting an increase of pension to Elizabeth J. Moorehouse (with accompanying papers); and

A bill (S. 1525) granting an increase of pension to Diantha E. Nihart (with accompanying papers); to the Committee on Pensions.

By Mr. SIMMONS:

A bill (S. 1526) to amend the interstate commerce act, as amended, to eliminate the requirement of certificates of public convenience and necessity in respect of construction of new lines of railroad and extension of existing lines; to the Committee on Interstate Commerce.

By Mr. JOHNSON:

A bill (S. 1527) for the relief of Robert W. Miller; to the Committee on Military Affairs.

By Mr. WARREN:

A bill (S. 1528) granting a pension to Joseph Baker (with accompanying papers); to the Committee on Pensions.

By Mr. FRAZIER:

A bill (S. 1529) providing that funds appropriated for the care and relief of Indians of North Dakota under the direction of the Secretary of the Interior shall be expended through certain public agencies of the State of North Dakota; to the Committee on Indian Affairs.

By Mr. McNARY:

A bill (S. 1530) for the relief of Gilpin Construction Co.; to the Committee on Claims.

A bill (S. 1531) authorizing the Secretary of Agriculture to sell the Weather Bureau station known as Mount Weather, in the counties of Loudoun and Clarke, in the State of Virginia; to the Committee on Agriculture and Forestry.

By Mr. WALSH of Montana:

A bill (S. 1532) for the relief of James A. Hoey, alias Francis Fairfield;

A bill (S. 1533) to correct the military record of William McCormick;

A bill (S. 1534) for the relief of William O. Mallahan (with accompanying papers);

A bill (S. 1535) for the relief of Edward T. Moran;

A bill (S. 1536) for the relief of James W. Nugent (with accompanying papers); and

A bill (S. 1537) for the relief of Charles Callender; to the Committee on Military Affairs.

A bill (S. 1538) granting a pension to William Lentz (with accompanying papers);

A bill (S. 1539) granting an increase of pension to Elma W. Brett (with accompanying papers); and

A bill (S. 1540) granting a pension to Jirah I. Allen (with accompanying papers); to the Committee on Pensions.

A bill (S. 1541) for the relief of George A. Robertson (with accompanying papers);

A bill (S. 1542) for the relief of Josephene M. Scott;

A bill (S. 1543) for the relief of Kate Canniff (with an accompanying paper); and

A bill (S. 1544) for the relief of William F. Brockschmidt (with accompanying papers); to the Committee on Claims.

By Mr. DENEEN:

A bill (S. 1545) for the relief of Darlington & Co.;

A bill (S. 1546) for the relief of Maximilian J. St. George;

A bill (S. 1547) for the relief of Johns-Manville Corporation;

A bill (S. 1548) for the relief of John Brown;

A bill (S. 1549) for the relief of Mildred Lane;

A bill (S. 1550) for the relief of Ben D. Showalter;

A bill (S. 1551) for the relief of G. T. Hanson;

A bill (S. 1552) for the relief of Thomas J. Roff; and

A bill (S. 1553) for the relief of Mary Altieri; to the Committee on Claims.

A bill (S. 1554) to correct the military record of Eli J. Bennett;

A bill (S. 1555) to correct the military record of Arch Boyles;

A bill (S. 1556) making eligible for retirement under the same conditions as now provided for officers of the Regular Army, A. Richard Hedstrom, chaplain, an officer of the United States Army during the World War, who incurred physical disability in line of duty; and

A bill (S. 1557) to authorize the presentation to Julian L. Douglas of a distinguished-service cross; to the Committee on Military Affairs.

A bill (S. 1558) granting the consent of Congress to the Chicago & North Western Railway Co. to construct, maintain, and operate a railroad bridge across the Rock River; to the Committee on Commerce.

A bill (S. 1559) granting an increase of pension to Rose E. Grimes;

A bill (S. 1560) granting an increase of pension to George Slifer;

A bill (S. 1561) granting a pension to Ella M. Beckett;

A bill (S. 1562) granting an increase of pension to Lucinda Vordermark;

A bill (S. 1563) granting an increase of pension to Lucy E. Sisson;

A bill (S. 1564) granting a pension to Mary F. Hall;

A bill (S. 1565) granting an increase of pension to Margaret J. Billig;

A bill (S. 1566) granting a pension to Annie Bell Bass;

A bill (S. 1567) granting a pension to James W. Clark;

A bill (S. 1568) granting an increase of pension to Ida F. Hixson;

A bill (S. 1569) granting an increase of pension to Joseph J. Johnson;

A bill (S. 1570) granting an increase of pension to Anton Muller;

A bill (S. 1571) granting a pension to Robert Zink; and

A bill (S. 1572) granting an increase of pension to Etta Mack; to the Committee on Pensions.

By Mr. NORBECK:

A bill (S. 1573) to amend section 5219 of the Revised Statutes as amended; to the Committee on Banking and Currency.

By Mr. NYE:

A bill (S. 1574) to amend section 4 of the Federal reserve act, as amended; to the Committee on Banking and Currency.

A bill (S. 1575) to repeal section 2 of the act entitled "An act authorizing the appointment of an additional judge for the district of North Dakota," approved June 25, 1921; to the Committee on the Judiciary.

A bill (S. 1576) to authorize the Secretary of the Treasury to transfer certain forfeited vessels and vehicles to other executive departments; to the Committee on Finance.

By Mr. BORAH:

A bill (S. 1577) to add certain lands to the Boise National Forest, Idaho; and

A bill (S. 1578) to add certain lands to the Idaho National Forest, Idaho; to the Committee on Public Lands and Surveys.

By Mr. BROOKHART:

A bill (S. 1579) granting an increase of pension to Clara J. Wait (with accompanying papers);

A bill (S. 1580) granting a pension to Stella Gray (with accompanying papers);

A bill (S. 1581) granting an increase of pension to Sarah J. Gray (with accompanying papers);

A bill (S. 1582) granting an increase of pension to Susannah Reed (with accompanying papers); and

A bill (S. 1583) granting an increase of pension to James W. Ellis (with accompanying papers); to the Committee on Pensions.

By Mr. MAYFIELD:

A joint resolution (S. J. Res. 25) to declare the 11th day of November, celebrated and known as Armistice Day, a legal public holiday; to the Committee on the Judiciary.

A joint resolution (S. J. Res. 26) proposing an amendment to the Constitution of the United States relative to intrastate commerce; to the Committee on Interstate Commerce.

By Mr. WHEELER:

A joint resolution (S. J. Res. 27) to appropriate certain tribal funds of the Flathead and other Indian tribes in Montana to bring test suits in the United States District Court of Montana, and for other purposes; to the Committee on Indian Affairs.

By Mr. STEPHENS:

A joint resolution (S. J. Res. 28) consenting that certain States may sue the United States, and providing for trial on the merits in any suit brought hereunder by a State to recover direct taxes alleged to have been illegally collected by the United States during the years 1866, 1867, and 1868, and vesting the right in each State to sue in its own name; to the Committee on Claims.

By Mr. GEORGE:

A joint resolution (S. J. Res. 29) to correct an error in the Senate and House records of the Sixty-third Congress in the matter of the bills H. R. 7140 and S. 2810 entitled "A bill for the relief of the heirs of Joshua Nicholls," and to authorize the Secretary of the Treasury to pay the sum of \$33,450 to Elizabeth R. Nicholls and Joanna L. Nicholls, sole heirs of Joshua Nicholls, deceased, appropriated for them under said bills; to the Committee on Claims.

By Mr. PHIPPS:

A joint resolution (S. J. Res. 30) to provide for the expenses of participation by the United States in the Second Pan American Congress on Highways at Rio de Janeiro; and

A joint resolution (S. J. Res. 31) to provide that the United States extend to the Permanent International Association of Road Congresses an invitation to hold the sixth session of the association in the United States and for the expenses thereof; to the Committee on Foreign Relations.

#### AMENDMENTS TO FIRST DEFICIENCY APPROPRIATION BILL

Mr. CURTIS submitted an amendment proposing to appropriate \$126,000, for construction and installation of officers' quarters at Fort Riley, Kans., including utilities and appurtenances thereto, etc., intended to be proposed by him to House bill 5800, the first deficiency appropriation bill, which was ordered to lie on the table and be printed.

Mr. BINGHAM submitted an amendment intended to be proposed by him to House bill 5800, the first deficiency appropriation bill, which was ordered to lie on the table and be printed, as follows:

On page 80, line 2, change the period to a colon and insert the following: "Provided, That no part of this appropriation shall be used for any permanent construction on Governors Island so located as to interfere with the ultimate use of a part of Governors Island as a municipal airport or landing field."

Mr. THOMAS submitted an amendment proposing to appropriate \$463,732.49, to pay to the Indians of the Shawnee Tribe and 13 Delaware Indians affiliated with that tribe, their heirs

or legal representatives, in accordance with the official findings, arbitration award, and report of the Secretary of the Interior to Congress made in pursuance of the twelfth article of the treaty between the United States and the Shawnee Indians proclaimed October 14, 1868 (15 Stat. L. 513), etc., intended to be proposed by him to House bill 5800, the first deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

#### NATIONAL REPRESENTATION FOR THE DISTRICT

Mr. JONES of Washington. Mr. President, last week I introduced Senate Joint Resolution No. 8, proposing an amendment to the Constitution of the United States providing for national representation for the people of the District of Columbia. That resolution was referred to the Committee on the District of Columbia, which has twice favorably acted upon a similar joint resolution. At the last session a question was raised as to the committee to which such a joint resolution should go, and we agreed that it should go to the Committee on the District of Columbia first, and then, when that committee had acted and submitted its report to the Senate, that the joint resolution as then reported should go to the Judiciary Committee of the Senate, which is probably technically the committee to which the joint resolution should go. I think it would be proper to send the joint resolution to the Judiciary Committee, which technically, I think, has jurisdiction over matters of this kind. So I ask that the Committee on the District of Columbia may be discharged from the further consideration of the joint resolution and that it may be referred to the Committee on the Judiciary.

Mr. KING. Mr. President, will the Senator pardon an interruption?

Mr. JONES of Washington. Certainly.

Mr. KING. Does the Senator expect after the Judiciary Committee shall have reported that the joint resolution shall then go back to the Committee on the District of Columbia?

Mr. JONES of Washington. No; I would expect it then to go to the calendar, because technically I think the Judiciary Committee is the committee which has jurisdiction over matters of this kind.

Mr. KING. I think so. I do not believe that such a measure belongs to the District of Columbia Committee at all. I have no objection to the request of the Senator.

The VICE PRESIDENT. Without objection, the Committee on the District of Columbia will be discharged from the further consideration of Senate Joint Resolution No. 8 and the joint resolution will be referred to the Committee on the Judiciary.

#### RAILROAD MERGERS

Mr. MAYFIELD. I submit a concurrent resolution and ask that it lie on the table subject to call.

The resolution (S. Con. Res. 1) was read and ordered to lie on the table, as follows:

Whereas it was the purpose and intent of the Congress by enacting section 5 of the transportation act of 1920 to bring about adequate and efficient transportation service through the grouping of railroads into a limited number of strong systems which would include as members the short and weak railroads; and

Whereas large independent railroads have been and are being brought into unified systems under common ownership and/or control, either under lease or by the purchase of stock, without taking into consideration short and weak railroads that might be included in such systems: Now therefore be it

*Resolved by the Senate (the House of Representatives concurring),* That in order that an adequate and efficient transportation service may be maintained in the United States and the weak and short-line railroads preserved, it is hereby declared to be the policy of the Congress that there should be no acquisition of control by stock ownership, merger, consolidation, or grouping by or of railroads into a unified system for ownership, control, and/or operation unless the application for such ownership and/or control and/or operation shall make reasonable provision in the plan for the possible incorporation of every short and weak line that may be in operation in the territory covered or to be covered by the proposed grouping or unification or unless by affirmative testimony it is shown to be impossible to include such line upon reasonable terms, or unless the abandonment or operation of such line or its omission from the proposed plan is approved by order of the Interstate Commerce Commission.

#### FLUCTUATIONS IN PRICE OF MAY WHEAT, 1927

Mr. MAYFIELD. I offer another resolution and ask that it lie on the table subject to call.

The resolution (S. Res. 40) was read and ordered to lie on the table, as follows:

*Resolved,* That the Secretary of Agriculture is hereby directed to investigate, first, the effect upon the producers of grain of the suspension

by the Secretary of Agriculture of the requirement for the making of reports by members of grain-futures exchanges, and, second, the situation in respect of the 1927 May wheat future which existed on the grain-futures exchanges during the life of such future for the purpose of determining the cause of the wide fluctuations in the price of wheat during the early months of 1927, and especially after February 26, 1927, the date of the suspension of such requirement; and to make a full and complete report of such investigation, including (1) a statement of the reasons for, and a showing of the effect upon the producers of grain of, the suspension of such requirement; (2) a statement of the quantity of wheat purchased and the quantity of wheat sold on 1927 May future contracts, and the quantity of wheat actually delivered and the quantity of wheat actually received on such contracts; and (3) the names of the parties doing heavy trading in such future.

#### HEARINGS BEFORE THE INTERSTATE COMMERCE COMMITTEE

Mr. WATSON submitted the following resolution (S. Res. 41), which was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved,* That the Committee on Interstate Commerce, or any subcommittee thereof, is authorized, during the Seventieth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer at a cost not exceeding 25 cents per 100 words to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate, and that the committee, or any subcommittee thereof, may sit during sessions or recesses of the Senate.

#### EMPLOYMENT OF ADDITIONAL PAGE

Mr. CURTIS submitted a resolution (S. Res. 42), which was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

*Resolved,* That the Sergeant at Arms hereby is authorized and directed to employ an additional page from the 5th day of December, 1927, to the 30th day of June, 1928, to be paid from the contingent fund of the Senate, at the rate of \$3.30 per day.

#### LOUISE K. PICKETT

Mr. DENEEN submitted a resolution (S. Res. 43), which was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

*Resolved,* That the Secretary of the Senate is hereby authorized and directed to pay, out of the contingent fund of the Senate, to Louise K. Pickett, widow of Charles J. Pickett, late an assistant in the office of Senator DENEEN, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

#### RECOGNITION OF SOVIET GOVERNMENT OF RUSSIA

Mr. BORAH submitted a resolution (S. Res. 44), which was read and referred to the Committee on Foreign Relations, as follows:

*Resolved,* That the Senate of the United States favors the recognition of the present Soviet Government of Russia.

#### CODIFICATION OF INTERNATIONAL LAW

Mr. BORAH submitted the following resolution (S. Res. 45), which was referred to the Committee on Foreign Relations:

Whereas war is the greatest existing menace to society, and has become so expensive and destructive that it not only causes the stupendous burdens of taxation now afflicting our people but threatens to engulf and destroy civilization; and

Whereas civilization has been marked in its upward trend out of barbarism into its present condition by the development of law and courts to supplant methods of violence and force; and

Whereas the genius of civilization has discovered but two methods of compelling the settlement of human disputes, namely, law and war, and therefore, in any plan for the compulsory settlement of international controversies, we must choose between war on the one hand and the process of law on the other; and

Whereas war between nations has always been and still is a lawful institution, so that any nation may, with or without cause, declare war against any other nation and be strictly within its legal rights; and

Whereas revolutionary war or wars of liberation are illegal and criminal, to wit, high treason, whereas, under existing international law, wars between nations to settle disputes are perfectly lawful; and

Whereas the overwhelming moral sentiment of civilized people everywhere is against the cruel and destructive institution of war; and

Whereas all alliances, leagues, or plans which rely upon war as the ultimate power for the enforcement of peace carry the seeds either of their own destruction or of military dominancy, to the utter subversion of liberty and justice; and

Whereas we must recognize the fact that resolutions or treaties outlawing certain methods of killing will not be effective so long as war

itself remains lawful; and that in international relations we must have not rules and regulations of war but organic laws against war; and

Whereas in our Constitutional Convention of 1787 it was successfully contended by Madison, Hamilton, and Ellsworth that the use of force when applied to people collectively—that is, to states or nations—was unsound in principle and would be tantamount to a declaration of war; and

Whereas we have in our Federal Supreme Court a practical and effective model for a real international court, as it has specific jurisdiction to hear and decide controversies between our sovereign States; and

Whereas our Supreme Court has exercised this jurisdiction without resort to force for 137 years, during which time scores of controversies have been judicially and peaceably settled that might otherwise have led to war between the States, and thus furnishes a practical exemplar for the compulsory and pacific settlement of international controversies; and

Whereas an international arrangement of such judicial character would not shackle the independence or impair the sovereignty of any nation: Now therefore be it

*Resolved*, That it is the view of the Senate of the United States that war between nations should be outlawed as an institution or means for the settlement of international controversies by making it a public crime under the law of nations and that every nation should be encouraged by solemn agreement or treaty to bind itself to indict and punish its own international war breeders or instigators and war profiteers under powers similar to those conferred upon our Congress under Article I, section 8, of our Federal Constitution, which clothes the Congress with the power "to define and punish offenses against the law of nations"; and be it

*Resolved further*, That a code of international law of peace based upon the outlawing of war and on the principle of equality and justice between all nations, amplified and expanded and adapted and brought down to date, should be created and adopted.

Second, that, with war outlawed, a judicial substitute for war should be created (or, if existing in part, adapted and adjusted) in the form or nature of an international court, modeled on our Federal Supreme Court in its jurisdiction over controversies between our sovereign States; such court shall possess affirmative jurisdiction to hear and decide all purely international controversies, as defined by the code, or arising under treaties, and its judgments shall not be enforced by war under any name or in any form whatever, but shall have the same power for their enforcement as our Federal Supreme Court, namely, the respect of all enlightened nations for judgments resting upon open and fair investigations and impartial decisions, the agreement of the nations to abide and be bound by such judgments and the compelling power of enlightened public opinion.

#### INVESTIGATION OF ESPIONAGE IN INDUSTRY

Mr. WHEELER submitted a resolution (S. Res. 46), which was referred to the Committee on Education and Labor, as follows:

Whereas various court proceedings and published investigations have tended to show that a large number of private detective agencies are obtaining large sums of money from business concerns and organizations by falsely representing movements among their employees by joining labor organizations and advocating revolutionary methods for the purpose of discrediting said labor organizations and by manufacturing scares concerning radical propaganda and alleged plans for the use of violence in industrial conflict; and

Whereas these agencies, and other interests connected with them, are detrimental to peaceful relationship between employers and employees, setting up a system of espionage in industry, thriving on the unrest and fear they create, and spreading false rumors and scares, and often bringing about strikes in order to maintain their alleged services: Therefore be it

*Resolved*, That the Committee on Education and Labor be, and hereby is, empowered to conduct an inquiry into the extent of this system of industrial espionage in all its ramifications and to report to the Senate what legislation, in the committee's judgment, is desirable to correct such practices as they may find inimical to the public welfare.

#### CONCESSIONS IN FOREIGN COUNTRIES

Mr. WHEELER submitted a resolution (S. Res. 47), which was read and referred to the Committee on Foreign Relations, as follows:

Whereas American investments abroad, already amounting to many billions of dollars, are increasing rapidly, especially since the World War, and are alleged in a number of instances to be conditioned upon unjustifiable concessions from foreign governments which lack capital but desire to develop their resources; and

Whereas such concessions if unjust in their terms endanger legitimate investments abroad; and

Whereas controversies regarding the rights and duties of holders of such concessions constitute an increasingly important part of the foreign relations of this Government and produce tension which has

frequently led to armed intervention and may lead to war: Therefore be it

*Resolved*, That the Committee on Foreign Relations, or any duly authorized subcommittee thereof, is authorized to investigate the terms and conditions under which concessions have been procured in foreign countries by United States citizens and by corporations and other associations in which United States citizens are financially interested, and the nature and extent of such concessions, with particular reference to (1) the source and sanction of such concessions, (2) the record precedents, and traditions of the Government of the United States in its foreign relations since its establishment, in so far as the rights and duties incident to such concessions constitute the subject matter of international official correspondence, and (3) the principal aspects of public policy involved in the treatment, as property rights for purposes of diplomatic protection, of such concessions.

For the purposes of this resolution such committee or subcommittee is authorized to hold hearings, to sit and act at such times and places; to employ such experts and clerical, stenographic, and other assistants; to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths and to take such testimony and to make such expenditures as it deems advisable. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of such committee or subcommittee shall not exceed \$30,000 and shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of such committee or subcommittee. Such committee or subcommittee shall make a final report to the Senate as to its findings at the beginning of the second regular session of the Seventieth Congress.

#### HEARINGS BEFORE THE COMMITTEE ON NAVAL AFFAIRS

Mr. HALE submitted a resolution (S. Res. 48), which was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

*Resolved*, That the Committee on Naval Affairs, or any subcommittee thereof, be, and hereby is, authorized during the Seventieth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not to exceed 25 cents per 100 words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate, and that the committee, or any subcommittee thereof, may sit during the sessions or recess of the Senate.

#### HEARINGS BEFORE THE COMMITTEE ON MILITARY AFFAIRS

Mr. REED of Pennsylvania submitted a resolution (S. Res. 49), which was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

*Resolved*, That the Committee on Military Affairs, or any subcommittee thereof, is authorized during the Seventieth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

#### COURT-MARTIAL OF COL. WILLIAM MITCHELL

Mr. McKELLAR. Mr. President, I move that Senate Resolution 28, requesting a transcript of the court-martial proceedings in the trial of Col. William Mitchell, Air Service, United States Army, which was submitted by me on the 9th instant and now lies on the table, be referred to the Committee on Military Affairs.

The motion was agreed to.

#### NEW MEXICO'S MEMORIAL STONE IN WASHINGTON MONUMENT

Mr. BRATTON. Mr. President, on December 2 the memorial stone presented by the State of New Mexico and placed in the Washington Monument was dedicated. At that time certain exercises were had, including an address by the President of the United States, giving a great deal of interesting data concerning the State of New Mexico. I ask leave to have those proceedings printed as a Senate document with an illustration.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

#### ARGUMENT BY HON. MILTON EVERETT

Mr. MAYFIELD. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an argument by Hon. Milton Everett, of San Antonio, Tex., in which he explains the "auction plan" for the sale and marketing of food products.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

The matter referred to is as follows:

[From the Southwestern Resources, November, 1927]

#### THE "AUCTION PLAN" FOR SALE OF FOOD PRODUCTS

A great deal is said in Congress and legislatures about "marketing plans," to enable producers of food products to realize the value of their products and to enable consumers to obtain same at a fair price. At present "the spread" between the price the producer receives and what the consumer pays is enormous and outrageous. The low prices received by producers on the one hand has the effect of limiting production, and the high prices paid by consumers on the other, limit consumption to the disadvantage of everybody but the handful of middle men, commission men, storage men whose ranks are filled with robbers.

#### ALL FARMS PRODUCE FOOD PRODUCTS

A farmer to make a living farming must grow his own living. In doing so, he must of a necessity grow a surplus which he should be able to sell at a fair price. But the farmer or producer has no opportunity to sell at a profit, because his prices are made in the city markets by a few men only, who are interested in selling his products. The great mass of the consumers have nothing to say as to the prices they are willing to pay for food products. There is only one way the consumer could have a chance to say what he is willing to pay, and that is by creating an auction marketing system under the supervision of the Federal Government, whereby every citizen of the country would be put on notice of food products for sale and the prices paid at wholesale for same.

It is entirely probable that taking all of the perishable food products grown for market purposes and the surpluses of farm home supplies, that in the United States there is as much wasted as is consumed by others than the growers.

#### WHAT IS AN AUCTION PLAN?

The sale by auction of products that swiftly deteriorate in quality or value is world-wide. In this country all of our furs, wool, and other products are sold at auctions conducted by private persons. In recent years auctions of fruits and vegetables conducted by individuals for profit have been established in 12 of our large cities. These auctions, of course, are limited in their price making to the dealers in the cities where they are held, and the prices received therein for fruits or vegetables by no means represent the true prices that people are willing to pay for such products—do not represent a price based upon supply and demand.

The plan submitted herein for the distribution and sale of food products is not designed to cover the distribution and sale of corn, wheat, and oats. These food products are now distributed and sold under a system about as good as can be provided. If there are any changes relative to these three products, such changes will or should come in perfecting the present system of distribution and sale.

#### WHAT IS INCLUDED IN THE AUCTION PLAN

Especially and particularly included are all food products of a perishable nature, whether such nature requires icing of cars in transit or not. Such a plan should also include such products as are grown in all parts of the country in small quantities, as peas, beans, pumpkins, peanuts, rice, etc., and the nuts produced on our soil.

#### THE PRESSING NEED OF TO-DAY

For the present, or in the beginning of the inauguration of a system of distribution and sale of the products enumerated in the foregoing paragraph, it is sufficient to provide for the distribution and sale of perishable products, whether such require icing in transportation or not.

It is not necessary in this paper to consider the vast volume of traffic in perishable food products, or the tremendous total value of such products. Neither is it necessary to call attention to the hundreds of millions of dollars lost annually by our producers of perishable food products, nor to the great spread between the prices received by producers and those paid by consumers. These facts are known to all students of the marketing problem, or can easily be obtained from Government sources. The thing that the Congress needs to be convinced of is, that through the organization of a nation-wide plan for the sale of perishable food products by auction in the various trade centers, we can obviate the vast losses now sustained by both producers and consumers.

#### THE PRESENT CONDITIONS

Generally speaking, the preponderant proportion of our perishable food products has a price set on it by a few men in a few markets, totally and absolutely regardless of supply and demand.

The virtue of the "auction plan" is in making a price that is based on supply and demand. He who tries to provide a plan not based on supply and demand, for the purpose of carrying favor with this or that class, will in the long run, do all classes much harm.

Not until a plan is provided to get a consensus of opinion of the whole country, or a large part of the whole country, as to the demand for any certain product and what people are willing to pay for it, will there be any fairness in the establishment of prices for all parties concerned—producers and consumers—and one class has as much right to a fair price as the other class, and no more.

#### OUR WIDESPREAD TRAFFIC

No other nation has ever in history bought its food products from such far-distant markets within its own confines as this Nation. With us, wherever products come from, whether from producing points 50 miles distant or 3,000 miles distant, we are under obligations to see fair play and fair prices. We are not dealing with foreigners, as an European nation would be, with no obligation to see that this or that long-distance shipper got a fair price or not. Neither can we penalize one section for losses or forced prices in another.

It has often been stated that each producing section of a like product, in the distribution of such product, should keep in touch with the distribution of such product from all other sections, so that some markets would not be gorged and others slighted. Under present selling conditions this is absolutely impossible under any circumstances.

Primarily this is true for two reasons: First, organization work to acquire accurate marketing information over a large area of production as we have in this country requires the expenditure of large sums of money and also necessitates the employment of expert men at large salaries; second (and chiefly), the areas of production of perishable products is constantly changing for many reasons.

All farmers produce for their own use perishable food products, and all have a surplus at one time or another which should come on the market; in hundreds of small sections of the country the farmers once selling their surplus products at a good price will the following season plant largely of such products and without organization to sell them, will get low prices or lose money, and the next season cut down their acreage again to supply their own demands.

In Texas, which State is a large producer of perishable food products, it frequently happens that a single county will go in for, say, sweet potatoes, and in a season or two be marketing a thousand carloads; then comes a setback in prices, and the production will be less than a hundred cars.

This has happened in Texas scores of times as regards sweet potatoes, white potatoes, watermelons, cantaloupes, tomatoes, cucumbers, etc. Then again the weather conditions cause a wide divergence in production. For example, in a recent year in two south Texas counties which previously shipped during two months more than 500 carloads of cucumbers, beans, tomatoes, and peppers, this year on account of a drought did not ship 50 cars.

There is absolutely no chance under the conditions that exist in the widespread territory of our country for the production of perishable food products for such products to be sold at fair prices to producers and consumers under present marketing arrangements, and no way to arrive at fair prices except under the auction plan supervised by the Federal Government.

The only guide possible for the widely spread producers in the distribution of their products is the price offered, when such price is established through a widespread offering of the articles for sale, and said sale is made and price established by or through some Government agency, so that it is known to be a real price and not a dealer's fictitious price made to induce shipments, create an oversupply, and beat down the prices in the interest of cold-storage houses.

#### HOW PRICES ARE NOW MADE

Generally speaking again, our perishable food products are consigned to various brokers and commission merchants in a comparatively few cities. These brokers and commission merchants establish prices based upon the demand during a brief period each day—a consensus of the offerings of a few buyers or consumers.

For example, a certain number of cars of a perishable product arrives in the city of St. Louis. How many people who are in the market as consumers of such product have a voice in saying what the price should be? And even if every citizen and consumer in the city had a voice in setting a price according to the demand, the vast population within, say, 50 miles of the city who are also consumers have no voice at all, and there are as many people within a radius of 50 miles possibly as are in the city itself.

A handful of men, and generally men who have a selfish interest to serve in fixing low prices, make all the prices for our perishable food products. Of course, there are a few exceptions in highly organized products, but their percentage of the vast whole is so small that it does not count.

The thing to do is to fix prices based on supply and demand where all the population, all the buyers, dealers, and consumers have a say whether they live in the cities of large population, to which the perishable products are directly shipped, or in 10,000 small cities and towns of the country whose inhabitants are also interested in the purchase and the consumption of perishable food products. This condition can only be brought about by the sale of our food products by auction, said auction to take place at a certain time each day at an established place of which all men will have previous knowledge and each can compete with all others in the purchase of carloads of food products.

#### HOW THE AUCTION PLAN WILL WORK

Let us say that the Federal Government establishes a marketing organization along the lines of the Federal reserve system. In this organization it would be provided that the system will make a charge for

each car of products auctioned, such charge to cover the costs of operation and add something to a fund for the future establishment of Government market places in the larger cities. This marketing system would establish certain markets for the receipt and sale of food products to be sold each day at auction. At a certain hour each day an auction would be held, and there would be sold all carloads of food products on hand or "to arrive" prior to the next sale. All sales to be subject to certain standards of quality and condition and reclamations would be made when such standards were not complied with.

It may be here stated that in the course of a short time all producers would have a knowledge of the Government standards and would be eager to comply therewith. Furthermore, the producers, having confidence in getting just prices and real prices for their products and in not being robbed as they now are in thousands of cases, would vie with each other in establishing in the markets a reputation for their goods and seek to have their especial products find favor with the buyers who would know of their excellent pack or product.

In this public way—auction plan—of establishing prices at a certain hour each day in all the markets, it would be found that dealers in many small cities and towns would have buyers in the market places who would compete when there was an overplus of products in the market, and the cold-storage houses would be compelled to pay an honest price for their purchases. Eventually we would come to the condition when our perishable-food products would be sold at a uniform price throughout the country plus the transportation charges.

The price setting would be open and above board, the price would be a real and dependable price, not a fictitious price set by a few thieving brokers to rob the producers of the value of their toil. Another thing, there are thieving and dishonest producers and shippers, as well as those at the other end of the line. Such would be put out of business or compelled to mend their ways, for the quality and value of their pack would soon be generally known to all buyers. For example: The Government auctioneer would say, "I am offering a car of tomatoes, about 25,000 pounds, loaded in M. K. T. car 41144, due to arrive at 4 p. m. in this market. This car was packed and shipped by John Smith, of Smithville, Tex. What am I offered?" No shipper could possibly defraud the public under such a condition of sale.

The fact that the shipments of a certain man or brand would bring an extra price in the market at public auction would force, or at least encourage, all shippers to compete with the best or go back to producing something else that was not judged, priced, and sold under the glare of national publicity.

#### BENEFITS IN TRANSPORTATION

Such a plan for national auctions at certain hours each day in all markets would enable the railroad companies to so adjust their schedules of trains bearing perishable food products to arrive at the various markets at a nearly uniform hour each day, just as milk trains now arrive at the markets at certain hours.

It would also give our railway managements an opportunity to consolidate their shipments into solid trains, which would accelerate the time in transportation and provide more economical handling. It would not be long after the auction plan was inaugurated that facilities would be provided for showing in all the markets each day all of the carload perishable food products moving throughout the country.

A consolidation of the shipments of such products into solid trains would enable the railroad companies to put into operation cold-storage trains, with all cars kept at a uniform temperature by a refrigerating machine in one car, thus saving time, cost in reicing, and deterioration from changes in temperature, and insure all products arriving at markets in a uniform condition.

#### AGRICULTURAL RELIEF

Mr. McKELLAR. Mr. President, I ask to have printed in the Record a resolution of the Dark Tobacco Growers' Cooperative Association indorsing the McNary-Haugen bill, together with an accompanying article by "The Rambler."

The VICE PRESIDENT. Without objection, it is so ordered. The resolution and article are as follows:

Whereas the plight of the farmers of America is even worse now than it was 12 months ago at the time that President Coolidge vetoed the McNary-Haugen bill and offered neither substitute nor even consolation to the agricultural classes; and

Whereas an American standard of living has been guaranteed to merchants and manufacturers through the tariff bill; to bankers through the Federal reserve act; to railroads through the Interstate Commerce Commission; to laborers through the Adamson bill and the immigration law, while farmers, by being compelled to buy on a protected market and sell on a world-wide market, are forced to a standard of living on a level with European peasants and Mexican peons; and

Whereas the law of supply and demand does not apply when the supply is in the hands of unorganized farmers and the demand is in the hands of organized dealers; and

Whereas cooperative marketing of farm products on a large scale has failed because it is financially impossible for members to carry

all the burden of the surplus for the benefit of nonmembers: Therefore be it

*Resolved*, That we, the directors of the Dark Tobacco Growers' Cooperative Association, in regular monthly meeting assembled this the 15th day of November, 1927, and speaking for the 76,000 farm families that we represent in Kentucky, Tennessee, and Indiana, do reaffirm our faith in the McNary-Haugen bill and especially the equalization fee feature which requires all growers of a commodity to share alike in carrying the burden of the surplus, just as all national banks are required to be members of the Federal reserve system; and be it further

*Resolved*, That we earnestly request our Senators and Congressmen to show their sympathy for their farmer constituents by using their influence and votes to secure the immediate passage of the McNary-Haugen bill in the next session of Congress.

#### MCNARY-HAUGEN BILL

By the Rambler

Relief for the farmer through the effort of the Congress will not down. In past years the Republican Party has existed as the protector of manufacturing and moneyed interests. Farmers of the northern and eastern States have remained Republican as a matter of "principle," but just what that principle is they are not well advised. Possibly it is the remains of the Civil War and the question of slavery.

However, the great West has been settled. The settlers there in the main left bygones behind, and while remaining Republican in principle, yet kept out a weather eye. Following the sentiment of those they represented western Congressmen have been more or less an uncertain quantity in the Republican ranks. The West is new, and the West has sprung a number of new ideas in government. Some of them were good and some not so good. But at least it may be said the West is original.

The western farmers have demanded relief. Such a thing as Government aid was unheard of. Then the people discovered for the first time that the Government had for a century, except when Democrats were in power, been giving aid to the manufacturing and moneyed interests, through the manipulation of the Republican Party, by the tariff.

The Democratic Party has sought to give relief by the lowering of the tariff. But the western farmer has remained loyal to the "time-honored" high tariff of his Republican Party, but would ingeniously circumvent its effects on his business with the McNary-Haugen bill.

Thus the agricultural Republican saves his face on his prior advocacy by still contending for high tariff, but at the same time insisting on relief from its effects upon agricultural products by the McNary-Haugen bill.

The McNary-Haugen bill is not sound in principle under normal conditions. But conditions are not normal, and we had as well fight the devil with fire.

Just so long as Republican high tariff remains in force, just that long I am in favor of offsetting its effects on agricultural products with the McNary-Haugen bill.

#### ASSOCIATION RESOLUTION

The directors of the Dark Tobacco Growers' Cooperative Association at their last meeting in Hopkinsville adopted a resolution requesting the passage of the McNary-Haugen bill.

The resolution criticizes President Coolidge for vetoing the McNary-Haugen bill and not offering any other relief or even consolation. The resolution mentions the following who are protected to be merchants and manufacturers through the tariff bill; bankers through the Federal reserve act; railroads through the Interstate Commerce Commission; laborers through the Adamson bill and immigration law, while farmers, by being compelled to buy on a protected market and sell on a world-wide market, are forced to a standard of living on a level with European peasants and Mexican peons.

The resolution further points out that the law of supply and demand does not apply when the supply is in the hands of farmers and the demand is in the hands of organized dealers.

In requesting the passage of the McNary-Haugen bill the directors of the association would have the equalization fee remain in it. This equalization fee means that every grower of a given commodity pay his fee and thus all share equally in carrying the burden of the surplus.

The hue and cry was raised against the McNary-Haugen bill that it was putting the Government in business. But the advocates of the bill answered that the Government had been in business as a protectionist for a century at the behest of the Republican Party and that it comes now with the poor grace to cry "wolf."

#### THAT BRANN SUIT

It has been intimated for some weeks that the buyers would lay off of medium and low grade tobacco this year unless it could be bought

"right." It has been suggested that this was to force the association on the market with what it has on hand. But the association didn't get panicky and give what it had away. It was negotiating a big sale at a reasonable price. This didn't suit somebody—somebody nobody knows who. But about the time for the market to open somebody—certainly not the deluded farmers in west Tennessee in whose name the suit in Judge Dawson's court was brought—filed a petition in the same suit for a receiver.

Well, there's no need to comment further. Space is valuable.

It may be slow work, but some day the farming classes will come to their own. Others with more brains and less honor have manipulated the thing for a long time. The farmer is a lot smarter than he used to be; that is, better informed.

Some of these days if the farmer doesn't get action in Congress and in State legislatures he's going to know the reason why.

But the good year of 1927 is the wrong time to pull this receiver stuff. There's too little tobacco in the world to-day for the big ones to force the price down. Government statistics show it and no one knows it better than the big buying interests. The association tobacco might all be dumped on the market through a receiver and still not fill up the hole.

#### FIRST DEFICIENCY APPROPRIATION BILL

Mr. WARREN. Mr. President, from the Committee on Appropriations I report favorably with amendments the bill (H. R. 5800) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1928, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1928, and for other purposes, and I submit a report (No. 1) thereon.

Mr. President, I wish to say that this bill was considered in the House of Representatives immediately after the 5th of December, and also by the committee of the Senate. It has been thoroughly examined in the meetings of the Committee, and the measure has been approved. The bill was passed last week by the House of Representatives. It is very similar to the deficiency bill which failed in the filibuster at the end of the last session of Congress; the items are almost precisely identical, but the amount of the bill, of course, is larger because of some very important deficiencies which have been added to it, such as the shortage in the appropriations for the payment of pensions, and so forth. I am reporting the bill at this time, and at some later time in the day, perhaps, I shall, with the consent of the Senate, bring it up for consideration.

The VICE PRESIDENT. The bill will go to the calendar.

Mr. FLETCHER. Mr. President, I inquire what became of the report submitted by the Senator from Wyoming [Mr. WARREN]? I understand he simply reported the deficiency bill from the Appropriations Committee. I did not hear what action was taken.

Mr. WARREN. I merely reported the bill from the Committee on Appropriations.

The VICE PRESIDENT. The bill was ordered to the calendar.

Mr. HARRISON. Mr. President, I trust that the Senator from Wyoming does not intend to call the bill up for consideration to-day?

Mr. WARREN. It was my intention to do so, should the Senate desire to consider the bill.

Mr. HARRISON. I had hoped that the Senator would wait until to-morrow to ask for the consideration of the bill, so that we might have an opportunity to read it. Some of us who are not on the committee would like to know what its provisions are.

Mr. WARREN. That will be perfectly agreeable.

Mr. LA FOLLETTE subsequently said: Mr. President, there was so much confusion in the Chamber when the Senator from Wyoming offered the first deficiency bill that I should like to have the matter cleared up. Did the Senator report the bill from the committee or did he merely introduce the bill?

Mr. WARREN. Mr. President, answering the Senator from Wisconsin [Mr. LA FOLLETTE], I reported the bill from the committee with amendments which have received the approval of the committee.

Mr. LA FOLLETTE. May I ask the Senator how the committee has had an opportunity of passing upon the bill if the committee is not as yet organized?

Mr. WARREN. The committee was organized so far as its old members are concerned, who naturally could act, and the membership was all there, barring the two vacancies on the Republican side.

Mr. LA FOLLETTE. Were there any minority members present?

Mr. WARREN. All were present, I think, who were in the city and able to attend, and the bill was unanimously authorized to be reported.

#### STANDING COMMITTEES

Mr. WATSON. I offer the resolution in the nature of an order which I send to the clerk's desk and ask for its immediate consideration.

The order submitted by Mr. WATSON is as follows:

Ordered, That the following shall constitute the standing committees of the Senate of the Seventieth Congress:

*On Agriculture and Forestry.*—Messrs. McNary (chairman), Norris, Capper, Keyes, Gooding, Norbeck, Frazier, Gould, Smith, Ransdell, Kendrick, Heflin, Caraway, Mayfield, Wheeler, Thomas, and Shipstead.

*On Appropriations.*—Messrs. Warren (chairman), Smoot, Jones of Washington, Curtis, Hale, Phipps, Keyes, Bingham, Oddie, Nye, Overman, Harris, Glass, Jones of New Mexico, McKellar, Broussard, Kendrick, Copeland, and Hayden.

*To Audit and Control the Contingent Expenses of the Senate.*—Messrs. Deneen (chairman), Fess, Greene, Caraway, and Walsh of Massachusetts.

*On Banking and Currency.*—Messrs. Norbeck (chairman), Edge, Phipps, Sackett, Frazier, Pine, Brookhart, Steiwer, Fletcher, Glass, Edwards, Mayfield, Wagner, Barkley, and Tydings.

*On Civil Service.*—Messrs. Dale (chairman), Couzens, du Pont, Pine, Brookhart, Blaine, McKellar, Ransdell, Heflin, George, and Bruce.

*On Claims.*—Messrs. Howell (chairman), Capper, Deneen, Nye, McMaster, Steiwer, Waterman, Trammell, Bayard, Caraway, Stephens, Mayfield, and Black.

*On Commerce.*—Messrs. Jones of Washington (chairman), McNary, Willis, Johnson, Dale, Gould, Edge, Sackett, La Follette, Nye, Fletcher, Ransdell, Sheppard, Simmons, Stephens, Harris, Copeland, Hawes, and Tydings.

*On the District of Columbia.*—Messrs. Capper (chairman), Jones of Washington, du Pont, Sackett, Gould, Blaine, Waterman, King, Glass, Copeland, Edwards, Neely, and Bruce.

*On Education and Labor.*—Messrs. Couzens (chairman), Borah, Phipps, Metcalf, Bingham, Gillett, Jones of New Mexico, Ferris, Copeland, Tyson, and Walsh of Massachusetts.

*On Enrolled Bills.*—Messrs. Greene (chairman), Gillett, and Blease.

*On Expenditures in the Executive Departments.*—Messrs. Sackett (chairman), Hale, Keyes, Goff, Swanson, Bayard, and Hawes.

*On Finance.*—Messrs. Smoot (chairman), McLean, Curtis, Watson, Reed of Pennsylvania, Shortridge, Edge, Couzens, Fess, Greene, Deneen, Simmons, Jones of New Mexico, Gerry, Harrison, King, Bayard, George, Walsh of Massachusetts, and Barkley.

*On Foreign Relations.*—Messrs. Borah (chairman), Johnson, Moses, Willis, McLean, Edge, Capper, Gillett, Reed of Pennsylvania, Swanson, Pittman, Robinson of Arkansas, Walsh of Montana, Reed of Missouri, Harrison, Ferris, Bayard, and Shipstead.

*On Immigration.*—Messrs. Johnson (chairman), Keyes, Willis, Reed of Pennsylvania, Nye, Gould, King, Harris, Copeland, Blease, and Stephens.

*On Indian Affairs.*—Messrs. Frazier (chairman), Schall, McMaster, La Follette, jr., Jones of Washington, Pine, Steiwer, Ashurst, Kendrick, Wheeler, Dill, Bratton, and Thomas.

*On Interoceanic Canals.*—Messrs. Edge (chairman), Greene, Schall, Pine, Brookhart, Blaine, Walsh of Montana, Trammell, Ransdell, Mayfield, and Blease.

*On Interstate Commerce.*—Messrs. Watson (chairman), Gooding, Couzens, Fess, Howell, Goff, Pine, Sackett, Metcalf, du Pont, Smith, Pittman, Bruce, Dill, Wheeler, Mayfield, Hawes, Black, and Wagner.

*On Irrigation and Reclamation.*—Messrs. Phipps (chairman), Jones of Washington, McNary, Gooding, Oddie, Shortridge, Johnson, Howell, Sheppard, Walsh of Montana, Kendrick, Pittman, Simmons, Dill, and Ashurst.

*On the Judiciary.*—Messrs. Norris (chairman), Borah, Deneen, Gillett, Goff, Robinson of Indiana, Blaine, Steiwer, Waterman, Overman, Reed of Missouri, Ashurst, Walsh of Montana, Caraway, King, Neely, and Stephens.

*On the Library.*—Messrs. Fess (chairman), Howell, Gillett, Bingham, McKellar, Ferris, and Barkley.

*On Manufactures.*—Messrs. McLean (chairman), McNary, Metcalf, La Follette, jr., Gould, Deneen, Smith, Reed of Missouri, Edwards, Wheeler, and Tyson.

*On Military Affairs.*—Messrs. Reed of Pennsylvania (chairman), Warren, Greene, Bingham, McMaster, Pine, Robinson of Indiana, Brookhart, Blaine, Fletcher, Sheppard, George, Tyson, Blease, Steck, Wagner, and Black.

*On Mines and Mining.*—Messrs. Oddie (chairman), du Pont, Goff, La Follette, jr., Robinson of Indiana, Frazier, Walsh of Montana, Ashurst, Pittman, and King.

*On Naval Affairs.*—Messrs. Hale (chairman), Oddie, Norbeck, Shortridge, Metcalf, Schall, Howell, Steiwer, Waterman, Swanson, Gerry, Trammell, Broussard, Edwards, Dill, Walsh of Massachusetts, and Tydings.

*On Patents.*—Messrs. Metcalf (chairman), Norris, Waterman, ———, Smith, Broussard, Dill, and Shipstead.

*On Pensions.*—Messrs. Robinson of Indiana (chairman), Norbeck, Dale, Schall, Frazier, Couzens, ———, Gerry, Wheeler, Neely, Bratton, Steck, and Shipstead.

*On Post Offices and Post Roads.*—Messrs. Moses (chairman), Philpps, Oddie, Dale, du Pont, Schall, McMaster, Frazier, La Follette, jr., Brookhart, McKellar, Heflin, Trammell, Ferris, Blease, Bratton, Steck, and Thomas.

*On Printing.*—Messrs. Bingham (chairman), Moses, Capper, Fletcher, Ransdell, Bruce, and Shipstead.

*On Privileges and Elections.*—Messrs. Shortridge (chairman), Watson, Greene, Deneen, Goff, Edge, Steiwer, Waterman, King, George, Neely, Smith, Caraway, Reed of Missouri, and Bratton.

*On Public Buildings and Grounds.*—Messrs. Keyes (chairman), Warren, Fess, McMaster, Gould, Smoot, Shortridge, Reed of Missouri, Ashurst, Trammell, Swanson, Mayfield, Edwards, Tydings, and Shipstead.

*On Public Lands and Surveys.*—Messrs. Nye (chairman), Smoot, Norbeck, Oddie, Dale, McNary, Willis, Gooding, Pittman, Jones of New Mexico, Kendrick, Walsh of Montana, Dill, Ashurst, and Wagner.

*On Rules.*—Messrs. Curtis (chairman), Hale, Moses, Watson, Dale, Smoot, Reed of Pennsylvania, Overman, Harrison, Robinson of Arkansas, Neely, Swanson, and McKellar.

*On Territories and Insular Possessions.*—Messrs. Willis (chairman), Johnson, Bingham, Robinson of Indiana, Nye, Reed of Pennsylvania, Metcalf, Norbeck, Pittman, Robinson of Arkansas, Harris, Broussard, Bayard, Bratton, and Hayden.

Mr. DILL. Mr. President, does the Senator ask to have the resolution considered immediately?

Mr. WATSON. Yes. My thought was that the list of committees should be reported this morning and that the committees should be appointed.

Mr. DILL. I have not seen the list of committees, and I do not believe we ought to do that.

Mr. WATSON. The Senator from Virginia [Mr. SWANSON] has handed me a list of Democratic members of committees.

Mr. SWANSON. Mr. President, I will say that the Senator from Arkansas [Mr. ROBINSON], who was obliged to leave the city, left with me the list of committees agreed on by the Democratic steering committee. I understood that it was agreed that we would not proceed any further with the organization to-day than the appointment of committees, but that we would agree to do that much.

Mr. WATSON. That is right. The Senator from Kansas [Mr. CURTIS] can state the agreement with the Senator from Arkansas.

Mr. CURTIS. The understanding was that we would act upon the election of the committees when they were reported and then defer further action on the election of officers until some later day, which I understand will be about Wednesday or Thursday.

Mr. WATSON. Thursday.

Mr. DILL. Why can not the list be printed in the RECORD and taken up to-morrow? We have waited all this time, and another day's delay will not be material.

Mr. WATSON. I have no objection to that, of course, but I did not think there would be any objection raised.

Mr. DILL. I do not see any reason for suspending a rule on a matter of this kind providing for the appointment of committees, particularly inasmuch as some of us do not know what the list is.

Mr. HARRISON. Mr. President, may I ask the Senator from Indiana a question?

Mr. WATSON. Certainly.

Mr. HARRISON. There is nothing in the suggestion that there are certain Senators on the other side who must see what committee assignments they receive before they vote on the organization of the Senate, is there?

Mr. WATSON. I will say to my suspicious friend from Mississippi—

Mr. HARRISON. I am not suspicious; I am merely asking a question.

Mr. WATSON. I will say that there is nothing of that kind involved, because every Member on this side is fully aware of the committee to which he has been assigned, and my understanding is that they are as nearly satisfied as it falls to the average man to be satisfied in a complex situation of this character.

Mr. HARRISON. The Senator has performed a great service.

Mr. SWANSON. I ask that the list as proposed may be printed in the RECORD, so that the Senator from Washington [Mr. DILL] may read it before he gives his consent.

Mr. WATSON. I make the request that the list may be printed in the RECORD.

The VICE PRESIDENT. The list will appear in the RECORD. Mr. SMITH. I ask the Senator from Indiana if he contemplates submitting the committee list for both sides?

Mr. WATSON. Certainly; that is the custom. They both are submitted by one individual. It does not matter about that, however.

Mr. SMITH. I understood from what the Senator said that he had been handed a list of the committee assignments for this side.

Mr. WATSON. Yes; I have been.

Mr. SMITH. And I thought, perhaps, if the others were going to be read that we should have both read at this time.

Mr. WATSON. I understand that the lists are not to be read, but simply printed in the RECORD.

Mr. SMITH. That will be satisfactory.

Mr. WATSON. Of course, the list for both sides will be printed. That has been the custom, I will say to my friend.

#### AMENDMENT TO RULES—RELEVANCY OF DEBATE

Mr. JONES of Washington. I send to the clerk's desk a notice, which I ask may be read according to the rules.

The VICE PRESIDENT. The Secretary will read.

The Chief Clerk read as follows:

Notice is hereby given that on the next legislative day he will propose an amendment to Rule XIX of the Standing Rules of the Senate, relating to debate, as follows:

Amend said rule by adding thereto a paragraph to be numbered 7, to read as follows:

"7. Debate shall be confined to the subject matter under consideration, and all points of order relating thereto shall be decided by the Chair without debate. Upon an appeal from a decision of the Chair upon any such point of order no Senator shall speak more than once nor longer than 10 minutes."

#### AMENDMENT TO RULES—RELEVANCY OF AMENDMENTS

Mr. JONES of Washington. I send to the desk another notice in accordance with the rules and ask that it may be read.

The VICE PRESIDENT. The clerk will read.

The Chief Clerk read as follows:

Notice is hereby given that on the next legislative day he will propose an amendment to Rule XVIII of the Senate Standing Rules, relating to amendments, by adding thereto a new paragraph to read as follows:

"2. No amendment shall be in order to a bill, resolution, or other amendment unless it be germane to the subject matter under consideration. If a point of order is made against a proposed amendment, it shall be decided without debate, unless the Chair desires to hear discussion. Upon any appeal from the decision of the Chair relating to such point of order no Senator shall speak more than once nor longer than 10 minutes."

Mr. SWANSON. Mr. President, the Senator does not contemplate asking the Senate to adopt those amendments to the rules without reference to the committee?

Mr. JONES of Washington. I expect, in accordance with the rule and the notice, to offer the amendments on the next legislative day; and if then there is a request that they be referred to the Committee on Rules, I shall make no objection to it, although under the rules they could be taken up at once.

Mr. HARRISON. When will the Senator offer his resolution to change the rules?

Mr. JONES of Washington. I will say that I gave the same notice and offered the same amendments in the last Congress.

Mr. HARRISON. I know.

Mr. JONES of Washington. This is merely a notice of my intention to offer these amendments.

Mr. HARRISON. The Senator has offered a similar resolution in several Congresses; but at this Congress he has just offered his resolution?

Mr. JONES of Washington. Oh, yes; I just gave a notice.

Mr. HARRISON. But the Senator does not contemplate appearing before the Rules Committee and presenting his arguments in the matter and letting it take the regular parliamentary course before the Committee on Rules?

Mr. JONES of Washington. I take it that when I offer the amendments pursuant to these notices there will be a request that they go to the Committee on Rules, and I shall be perfectly satisfied to have that done; and at the proper time I shall be glad to appear before the Committee on Rules.

Mr. HARRISON. Does the chairman of the Committee on Rules ask that they go to the Rules Committee?

Mr. CURTIS. Mr. President, I think the Senator misunderstands the rule. The rule requires that this notice shall be given before an amendment is proposed. It is my intention, when the amendment is offered, to ask that it go to the Committee on Rules.

Mr. HARRISON. I thought the Senator from Washington was trying to bring the matter up on the floor of the Senate and was giving the notice in order to avoid the two-thirds proposition.

Mr. JONES of Washington. No, Mr. President; I am giving the notice pursuant to the rules themselves, which require a notice to be given one day before any amendment to the rules is presented. This is the notice which the rules require.

Mr. MOSES. Mr. President, may I ask the Senator if he intends to oppose the course contemplated by the leader on our side?

Mr. JONES of Washington. No, Mr. President. If a request is made that the matter go to the committee, I shall make no objection, as I said a moment ago:

#### INVESTIGATION OF ELECTION EXPENDITURES

The VICE PRESIDENT. The next order of business is resolutions coming over from a preceding day. The Chair lays before the Senate Senate Resolution 10, submitted by Mr. REED of Missouri.

Mr. LA FOLLETTE. Mr. President, the Senior Senator from Missouri [Mr. REED] is detained in the Supreme Court of the United States. I therefore ask unanimous consent that this resolution may go over without prejudice until the Senator from Missouri is able to be in the Chamber.

The VICE PRESIDENT. Without objection, it is so ordered.

#### SETTLEMENT OF INTERNATIONAL DEBTS

Mr. BORAH. Mr. President, I ask permission to have printed in the RECORD an article from the Chicago Daily News of Friday, December 2, 1927, on the settlement of international debts; and I ask to have printed in connection with it an editorial on the same subject appearing in the same issue of the paper.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is here printed, as follows:

BOND GERMANY FOR \$8,000,000,000, END WAR DEBTS, HIS PLAN—SALMON O. LEVINSON, CHICAGO ATTORNEY, PROPOSES SWEEPING ADJUSTMENT OF INTERNATIONAL FISCAL PROBLEM AND 62-YEAR PEACE

An attempt to suggest a comprehensive plan of readjustment for the vexing questions of German reparations, allied and interallied government debts, European appeasement and peace, was made to-day in the form of a statement by Salmon O. Levinson, well-known Chicago attorney and student of international peace problems.

Coupled with a comprehensive financial proposal which aims at healing the financial sores left as a result of the World War, and as a guaranty to the undisturbed execution of the proposal, is a plan to eliminate war and threats of war over a period of 62 years.

Mr. Levinson enjoys a world reputation as a legal physician who is able to restore anemic corporations and even private properties to vigorous health. The same principles, he thinks, be valid in curing the financial ills of States. He has discussed the financial program with leading bankers and other authorities in several countries and they have pronounced it to be practical. So far as is known, Mr. Levinson's proposal is the first attempt to couple financial cure and mutually covenanted world peace, without which the necessary period of financial convalescence would be at the mercy of deliberate or light-minded wreckers.

It is to be expected that Mr. Levinson's scheme will be received with deep interest and given exhaustive consideration not only in the United States but throughout Europe.

Following is Mr. Levinson's statement in full:

"Many excellent suggestions of readjustment have been made, but so far as the writer knows they deal, respectively, with only one phase of the European situation. Sometimes it is with the settlement and disposition of German reparations; sometimes with the resettlement or cancellation of the allied debts owing the United States; sometimes the emphasis is put upon the necessity for revising the treaty of Versailles; and, of course, many plans deal purely with the question of world peace. The central idea of this proposal is to consider all of these acute questions and problems together; in other words, to handle them as is done, generally speaking, in the case of a reorganization of a distressed railroad or industrial corporation. In reorganizations all interests are considered in one complete scheme of rehabilitation and adjustment. The analogy may not be complete, but it is sufficiently so for the purpose.

"When every nation sees what all other nations are to receive, how it is to be treated and what the general result will be, criticism and distrust are disarmed and general confidence and harmony are attainable. This is the 'open diplomacy' of reorganizations.

"Settlements have been made by our Government with practically all our European debtors except France, which has not ratified the agreement. This article does not discuss the wisdom of these settlements, but takes them as facts in the economic problem. However, it may not be amiss to say that the writer has never been in sympathy with the view that the Great War was originally our war, that we were military partners with the Allies throughout, and that our loans to them during and

after the war were mere contributions to a common cause. Nor has the writer ever considered the effort to fix the 'capacity to pay' of a nation over a period of 62 years anything short of a wild guess. But the settlements are closed incidents and we start from them as a base. Suffice it to say that the United States has been liberal in these adjustments, although we have apparently received little or no credit for generosity or even leniency.

"In 1917 we entered the World War not only in good faith but enthusiastically 'to end war'—that is, to establish durable world peace. While we materially aided in victory for the allied cause, the vision of world peace is still distant.

"The purposes of the proposed plan may be summarized as follows:

"1. To get a reasonable compromise in cash for the United States of the 'present worth' of the debt settlements, which will furnish immediate and substantial relief to our taxpayers, who are bearing the whole brunt of the American cost of the war.

"2. To have the German reparations fixed at a definite amount and paid, the amount to be financed by a world consortium of bankers in cooperation with the governments involved, so that Germany may pay adequate reparations and also be able to work out the economic salvation of her people.

"3. To use the proceeds of the financed fixation of German reparations to pay all the sums needed under the proposed plan to bring about the settlement and discharge of all the allied and interallied government debts; for stabilization currencies for equitable adjustments with those European nations having specific claims to German reparations and for the necessary cost of the loan.

"4. The nations involved to sign a treaty of peace, open to all other civilized nations, wherein there will be substituted for the 62 years of debt installment payments by our European debtors, a 62-year experiment in world peace by the renunciation for that period of the use of war for the settlement of international disputes. In other words, to get also from this adjustment the ideal for which we fought in the war—the ending of war by international agreement.

"5. To make such modifications of the treaty of Versailles as are compatible with the terms and purposes of this proposal.

"The position taken by President Wilson that the question of allied debts should not be considered in conjunction with German reparations was sound. This view was approved and adopted by the Harding and Coolidge administrations. At the time this subject was originally broached it meant two things—first, the making of all payments by the Allies to the United States conditional on the payment to them of reparations by Germany; and, secondly, and more important, the United States was asked to take, in payment of the allied debts, German 'C' bonds, third-mortgage bonds, all subordinated to the bonds to be given the Allies. This would have put the United States in the position of military collector of reparations from Germany, in order to protect our third-mortgage bonds, as we would have released the Allies. The proposal herein contained is free from these objections. In fact, the plan provides a complete settlement, wherein the United States would be paid a fair present-worth compromise of the debt settlements in cash, the reparations would be adjusted and discharged, and the whole network of allied and interallied indebtedness would be disentangled and ended.

"The principal of the allied debts owing the United States was about \$10,000,000,000, which, with accumulated interest, amounted to about \$12,000,000,000. By the lenient settlements made by your Debt Funding Commission and approved by Congress (including the unratified French settlement) between \$6,000,000,000 and \$7,000,000,000 were in effect canceled through the omission and reduction of interest over the period of 62 years. The present worth of the debts owing the United States under the settlements (that is, the present cash value an expert accountant would give them, assuming that all the installments will be paid for the 62 years) is, roughly, \$5,000,000,000. The cancellation of \$6,000,000,000 to \$7,000,000,000 plus the present worth of about \$5,000,000,000 epitomizes the present allied debt situation so far as the United States is concerned. Of course, it requires considerable optimism to believe that all these countries will continue to pay their installments to us over the 62-year period.

"Even if the nations actually and punctually pay all their installments, the present generation of our taxpayers will get an almost negligible benefit. For, under these settlements the installment payments and most of the interest rates do not begin to be substantial until about 25 years from now. But it has been computed that at the present rate of progress our own \$18,000,000,000 of Government debt will all be paid off within 25 years. Therefore the next generation that will get the benefit of the increased installment payments and interest rates will be a generation that nationally is practically free from debt. In other words, American taxpayers will get relief when they do not need relief. There is no good reason why the present generation should stand all the burden of our participation in the war. The proposed plan offers immediate and partial relief to present taxpayers and even so will accelerate by many years the day when our national war debt will be entirely paid off.

"In addition to the debt settlements, the United States has a claim of \$250,000,000 arising out of our contribution to the army of occupation immediately following the armistice. We were to have a first lien for these advances, but for some reason or other we have not been paid, so far as the writer knows, anything either on principal or interest. As the other governments contributing to the army of occupation have been paid, it seems reasonable to propose that this expense of the United States, which was incurred for the benefit of the Allies and after the war, should be repaid.

"While, as above stated, the United States happily kept itself free from participation in or collection of German reparations, nevertheless in any 'reorganization' of Europe we must all agree that the center and crux are the German reparations. This is obviously true so far as any financial adjustment is concerned, and it is almost equally true with regard to European appeasement and peace. Accordingly, this plan proposes that the German reparations be fixed at the amount of \$6,000,000,000 and that this amount be financed and paid in cash in a lump sum. This would supersede the present method of installment payments by Germany without knowledge or fixation of the total amount of reparations, and, as the annual payments under the Dawes plan are rapidly increasing, would obviate the danger of default and consequent serious complications. The effect of the cash settlement of the reparations would be to terminate the quasi receivership now afflicting Germany, and she would owe \$6,000,000,000 under a well-secured loan, handled by a world banking consortium working in concert with the governments involved, on a sound and economic basis. As the loan would be a first mortgage on all the national assets and revenues of Germany, the interest rate should be, say,  $5\frac{1}{2}$  per cent per annum, with a sinking fund of an additional  $1\frac{1}{2}$  per cent per annum, or at a total annual cost of 7 per cent. This sinking fund of  $1\frac{1}{2}$  per cent, kept alive, would, as banking tables show, automatically pay off the entire principal of the loan in about 28 years.

"Such a loan would, as stated, have to be undertaken by an international banking group in cooperation with the governments involved. Our American bankers would doubtless be willing to underwrite and distribute a proper and proportionate share of the loan. The financial task would, of course, be colossal but far from impossible, with the momentum of public approval and consequent investment. It would indeed be a reassuring revelation if a loan of such magnitude, easily possible in war time when loans are necessarily precarious, could be negotiated in peace time for constructive purposes, when the safety of the loan is beyond question.

"Under the proposed plan the United States Government would receive in cash out of the proceeds of the new German loan \$4,250,000,000. The \$4,000,000,000 represents the 'present worth' cash compromise of the allied debt settlements. Otherwise stated, we would accept in compromise of the \$5,000,000,000, which is the estimated 'present worth' of the debt settlements, 80 per cent thereof in immediate cash—a discount of 20 per cent. The \$250,000,000 would be repayment of the principal of our contribution to the army of occupation. The \$4,000,000,000 of cash could be used immediately in reduction of our own national debt and by the time of its consummation would probably mean a reduction of 25 per cent thereof. This large reduction in our national debt, quite independently of surpluses, would justify an immediate and substantial reduction in our Federal taxes. The \$250,000,000 could be utilized, if so desired, by Congress, in whole or in part, as an appropriation for farm relief under satisfactory legislation.

"The plan also provides that there be a general cleaning up and discharge of the allied and interallied war debt all around. The United States is the only clear creditor, we having paid our way as we went along in the war. Great Britain is a creditor as to her other allies, but is a debtor to the United States in the sum of about \$4,500,000,000. As a part of this proposal Great Britain would be called upon to cancel the debts owing to her by her allies—about \$7,000,000,000; in turn she would receive a release from the United States as to her own debt. This, in effect, Great Britain has heretofore offered to do.

"Under this proposal there would be no need of continued friction or even conference about the French debt settlement. All the debts would be settled and discharged, including France's. Disregarding the effect of the settlements, France owes us over \$4,000,000,000, including \$400,000,000 for materials purchased after the war, and she owes nearly \$3,000,000,000 to Great Britain; Italy owes us over \$2,000,000,000 and a similar amount to Great Britain; Belgium owes us \$420,000,000; Rumania, \$45,000,000; Czechoslovakia, \$115,000,000; Latvia, \$6,000,000; Finland, \$9,000,000; Poland, \$178,000,000; Greece about \$20,000,000; Estonia, \$14,000,000; and Lithuania, \$6,000,000. And these latter countries also owe similarly large amounts to Great Britain. Thus most of the countries in Europe would have a direct financial stake in this general adjustment.

"For obvious reasons the writer has left out all consideration of the Russian debts. Personally, he would like to see them incorporated if it can be done without friction and therefore without endangering the proposal.

"The \$200,000,000 borrowed by Germany to inaugurate the Dawes plan should be paid off out of the \$6,000,000,000, so that the new loan

would be an absolute first mortgage on all of Germany's national property. This would leave a balance of \$5,800,000,000. The payment to the United States of \$4,250,000,000 would leave a balance of \$1,550,000,000. This balance would be available, as far as needed, for stabilization of currencies for equitable adjustments with those European nations having specific claims to German reparations and for the necessary cost of the loan. The unused portion, if any, of the \$1,550,000,000 to be applied in reduction of the loan.

"As a part of the general appeasement, the European nations involved, as well as the United States, are to sign a general treaty, in which the use of war for the settlement of international disputes would be renounced for the next 62 years as an international experiment in world peace. The other civilized nations to be invited to join in this treaty, so that for the period of 62 years the institution of war as a method of settling the disputes of the nations may be outlawed and a judicial system set up in place of the destructive war system which has brought Europe to its present plight. Thus the European nations, instead of enduring 62 years of 'financial servitude,' would enjoy 62 years of voluntary peace, during which time their economic rehabilitation could be effected and made secure. If toward the end of the 62-year period the experiment in peace proves distasteful to the civilized nations and they hunger for military power, they could revive the war system by refusing to extend the term of the peace treaty beyond the 62 years.

"Such a treaty would make possible and desirable the provision of this plan which calls for a world conference on the reduction of armaments, both on land and sea, to signalize the general renunciation of war. For so long as the institution of war is retained by the nations as their lawful and paramount court of last resort, all hopes of disarmament are doomed to disappointment. But with war renounced for 62 years all obstacles to drastic disarmament would be removed, and the economic convalescence and rehabilitation of the countries of Europe would ensue by leaps and bounds.

"It is obvious that in order to carry out the foregoing plan changes would have to be made in the treaty of Versailles in accordance therewith, and such other changes as may be agreed upon, in harmony with the spirit and compact of the nations to live together in amity and peace and to devote themselves to the progress and welfare of their respective peoples.

"This proposal is not submitted as a finality nor as having the magic of an Aladdin's lamp. The writer will be both surprised and disappointed if many important and beneficent suggestions and amendments are not forthcoming; and he will be abundantly repaid if this proposal stimulates or aids in any way a better plan of European adjustment and peace."

#### LEVINSON WELL KNOWN AS "DOCTOR OF CORPORATION ILLS"

As the result of his unique professional achievements, Salmon O. Levinson, Chicago attorney, who proposes world-wide financial reorganization as a necessary preliminary to world peace, has won a reputation as a legal physician who can cure the ills of ailing corporations and point out the way to health to holders of unsound properties.

Admitted to the Illinois bar in 1891, Mr. Levinson's legal work for the last 20 years has been principally concerned with untangling the complexities and constructively analyzing the details of great companies. Included in this work was the refinancing of two railroads, a task looked upon by many capable men as among the greatest that can confront a financial expert.

In 1915 the late Stephen S. Gregory, then president of the American Bar Association, said of Mr. Levinson that he had "developed signal and conspicuous abilities in all large matters of corporate reorganization and financing." Mr. Gregory said further: "It is probably not too much to say that in this important and lucrative field he stands in the front rank of the American bar."

In 1908 Mr. Levinson won high commendation from lawyers and financiers throughout the country by his remarkable success in reorganizing the Westinghouse companies and the personal business affairs of the late George Westinghouse, the inventor. When the St. Louis-San Francisco Railway began to totter in 1915 Mr. Levinson was called in, and he put the finances of the road back on a sound basis. He repeated the performance in 1921 with the Chicago & Eastern Illinois Railroad.

According to his associates in the law firm of Levinson, Becker, Frank, Glenn & Barnes, in the National Bank of the Republic Building, Mr. Levinson himself doesn't know how he happened to enter the particular branch of legal work that has brought him fame for his successful dealings with warring groups of stockholders and bondholders, each claiming special privileges when reorganization of great properties is begun. But, turning again to Mr. Gregory's estimate of Mr. Levinson, it becomes apparent that, once engaged in this particular work, the Chicago attorney displayed the proper qualifications for it. Mr. Gregory said:

"Mr. Levinson is a man of acute and vigorous mind and great mental and moral force. From the character of his practice and work it has not been his custom in later years to appear much in court, but he has a strong and comprehensive grasp of the general principles of the law and his keen and powerful mind enables him to make most effective

and practical application of these principles to the complicated and tangled affairs of modern commerce and finance.

"He is a man of tireless industry, for without that the success which he has achieved would have been impossible. No effort is too great for him in any cause which he has undertaken; nor does he omit the most painstaking examination of all the facts necessary to correct judgment. Unlike many men who are resolute and self-dependent, he does not underestimate the value of full conference with others and of giving the most careful attention to the views of those who differ with him, whether they are his associates or those opposed to him in interest. He is a liberal and generous-minded man, loyal to his friends and not vindictive toward his enemies. He fights hard and resolutely, but conflict leaves no malice in his heart."

That was written 12 years ago. Since that time Mr. Levinson has set aside hours and days from his business to devote to the cause of the "outlawry of war," a proposal of which he was the author and which has made a deep impression on the minds of leading men in the United States and Europe. Among its American champions may be mentioned the late Senator Knox, of Pennsylvania, and Senator BORAH, of Idaho.

Last spring Mr. Levinson traveled through Europe, sounding out the sentiment of leaders there, telling skeptics that war could be outlawed in the same way that piracy and duels have been outlawed. And while he was discussing this topic with 75 molders of public opinion in London, Paris, Berlin, and Geneva his natural interest in financial matters led him into a thorough investigation of commercial and monetary conditions wherever he went. He returned home from his European trip with a vast amount of first-hand knowledge of the problems of the nations he visited and of the state of public opinion in each.

Only recently the outlawry proposal, already placed before the United States Senate in a resolution by Senator WILLIAM E. BORAH, was summarized in a volume written by Charles Clayton Morrison, editor of the Christian Century, dedicated to Mr. Levinson, and with a foreword and afterword by Prof. John Dewey, the philosopher, of Columbia University.

But Mr. Levinson wishes to induce the nations to make a thorough job of world peace. He is confident that treaties outlawing war, together with an international court, would keep the nations out of hostilities. However, he also feels that a reorganization of international debts would be an exceedingly helpful guaranty of world peace and prosperity.

Mr. Levinson was born in Noblesville, Ind., December 29, 1865. From 1883 to 1886 he attended the old University of Chicago and finished his academic education at Yale University. He pursued his legal studies in the law department of Lake Forest University, was graduated in the class of 1891, and was admitted to the Illinois bar in that year.

#### PRINCIPAL AIMS OF THE LEVINSON PROPOSAL

As analyzed by persons who have studied the Levinson plan, it would be designed to—

1. Settle the question of international debts by removing debt and reparation payments from the political into the ordinary financial field.
2. Discharge the United States war debts quickly and in cash, thus lightening the taxpayer's burden and providing, if deemed desirable, funds for a large revolving credit to be placed at the disposal of farmers for financing the marketing of crops.
3. Pacify Germany by fixing the total period of reparation payments, reducing the annual sum, eliminating financial supervision under the Dawes plan, and restoring German sovereignty in fiscal matters, thus clearing the way for the evacuation of the Rhineland by the Allies as provided in the Versailles treaty.
4. Cancel all debts between European allies, while providing Great Britain, France, Italy, Belgium, and the other creditors with a substantial annual sum which they can use for their own economic restoration.
5. Dissipate the bad feeling toward the United States on the part of the European debtor states which the payment of their debts to us over a period of 62 years is sure to foster; prepare the way for intercontinental understanding by removing the chief incentive to quarrels; nullify all further criticism of the United States as an "international Shylock."
6. Found a complete financial settlement on a solemn international pledge to "outlaw war" for half a century or more, and provide impoverished and fearful states with security, thus allowing the necessary period for the codification of international law, for progressive disarmament, and for the peaceful discussion of outstanding political differences.

#### Summary of German loan plan offered by Attorney Salmon O. Levinson

World loan to Germany	\$6,000,000,000
Interest rate 5½ per cent per annum. Sinking fund 1½ per cent per annum. (Sinking fund, kept alive, will pay off entire principal in 28 years.)	
Pay off lien of Dawes plan reparation loan	200,000,000
Total	5,800,000,000

Pay United States in compromise and discharge of all war debts owing to her	4,000,000,000
Pay United States in repayment of cost of American Army of Occupation, 1919 and 1920	250,000,000
Total	4,250,000,000
Balance	1,550,000,000

This balance of \$1,550,000,000 to be used for stabilization of currencies, for equitable adjustments with European nations having specific claims to German reparations, and for the necessary cost of the loan. The unused balance, if any, to be applied in reduction of the loan.

Great Britain to cancel all debts owing to her by her allies, amounting to about \$7,000,000,000, so that all allied and interallied government debts will be wiped out.

The nations to sign a general treaty renouncing war, as a method of settling their disputes, for the next 62 years, and agreeing to set up a judicial system to supplant the outworn and destructive war system, as an epoch-making experiment in world peace.

Drastic limitation of armaments, both land and sea, through a conference of all nations based on the 62-year treaty outlawing war.

Treaty of Versailles to be modified in accordance with the needs and spirit of the foregoing proposal.

#### FOR WORLD SOLVENCY AND PEACE

For the first time since the Great War the world is offered in to-day's issue of the Daily News a comprehensive plan for settling simultaneously all the major problems residuum from that disastrous struggle. It merits earnest consideration by statesmen here and abroad and by the people of the leading nations.

Credit for its authorship goes to Salmon O. Levinson, of Chicago, widely known for his genius in reorganizing great corporations. Being convinced that the same principles apply to sound statesmanship as to successful business, Mr. Levinson came to the conclusion that the many devices imagined and applied for settling international differences had proved unsatisfactory because they were not parts of a single thoroughgoing remedy.

The Dawes plan has had brilliant results in obtaining from convalescent Germany "reparations by consent." But, however ingenious, that plan postponed the final reckoning and already signs of dissatisfaction are manifest.

The disputes between the United States and its late allies over the payment of the latter's war debts to this country have been quieted by separate agreements, except in the case of France. Yet the solution, consisting of payments extending over a period of 62 years, can hardly be said to have mollified the debtor nations. It is even doubtful whether any international arrangement covering so long a period can be considered secure.

The Locarno pacts were an unexpectedly satisfying step toward international pacification. At best, however, they eliminate but a few of the possible subjects of contention. They do not take into consideration the basic difficulties, which are economic. The angry disputes between Italy and Yugoslavia, between Italy and France, between Poland and Germany—to mention only a few of the more strident—show how uneasy are certain European states with the degrees of "security" attained.

As for disarmament, it is still a pious dream.

The truth is that reparation and debt problems, security, and peace are integral parts of a single complex. The unusual merit of Mr. Levinson's proposal is that it embraces all these problems and undertakes to solve them simultaneously. It provides for early payment in cash of a fair share of the European debts to the United States. It provides for the cancellation of debts between the European allies and releases them from indebtedness to the United States and at the same time furnishes them with a considerable sum of money. It fixes the total of German reparations at a reasonable figure, reduces the annual schedule of payments, and frees that country from the humiliating fiscal tutelage established by the Dawes plan. As the implicit price, it asks only that during the period of reparation payments the several interested states pledge themselves each to guarantee some portion of a German loan of \$6,000,000,000, which is the "present worth" of the debts as they are now computed, and during the period of payment, and for some years afterwards, agree to "outlaw" war as a method of settling international disputes.

Such "outlawry" would not require disarmament, but would contribute powerfully toward allowing disarmament. It would not exclude war; it would show war's character as brigandage against which self-defense is both licit and laudable. By connecting the financial integrity of each several state with the maintenance of a scheme destined to restore international confidence and sound business the possibility of armed conflict would be compressed to relative insignificance.

Mr. Levinson's proposal apparently offers in principle to each nation that peculiar benefit it would seem most to cherish.

To the United States it offers an 80 per cent cash compromise of the present \$5,000,000,000 of debts owing to it under the government

settlements. One can imagine the degree of fiscal relief that would accrue to this country from the early payment to it of \$4,000,000,000 in money. Further, the plan would settle by cash payment in the sum of \$250,000,000 the vexed question of the expenses of the American Army of Occupation on the Rhine.

To Great Britain the plan offers immediate relief from further payments to the United States, repayments constituting a burden under which the debtor nation, mighty as it is, is staggering. And from the balance of \$1,550,000,000 remaining after the payment to the United States Great Britain would receive immediately an equitable percentage.

If the Levinson proposal were in operation French statesmen, for the first time in many years, might sleep soundly. For not only would France be relieved of the possibility of having to pay its enormous debts to the United States and Great Britain, but it would receive a cash payment of about \$800,000,000 for currency stabilization and final reconstruction of its devastated areas. France would know also that for a long period of years a "truce of God" had been established between the United States, Great Britain, Italy, Germany, Poland, and itself.

In exchange for waiving the transfer clause protecting its currency under the Dawes plan, Germany again would be a free and sovereign nation, no longer grudgingly yielding tribute to its conquerors, but simply meeting the obligations on an unusually large bond issue, including the extinction of the principal, during a period of 28 years, having, with the proceeds, satisfied all the foreign claims arising out of the war.

More important would be the value of the plan to the world in general if it should be accepted and should prove workable. First, the great number of international holders of German bonds would be a strong guaranty of peace. Second, once freed from the specters of war and foreign debts, European credit throughout the world would rise to the heights merited by intelligent, hard-working, and powerful nations. Third, during the period of war's "outlawry" human society, through the codification of international law, the organization of peaceful cooperation in a hundred fields, and the possibility of such disarmament as each state, unhampered and unconstrained, might deliberately effect, would enter an era of unequalled prosperity.

Leading bankers have pronounced the plan financially sound.

The Daily News is deeply impressed by the marvelous possibilities of the plan. It holds no brief for the details presented by Mr. Levinson. The precise sums, the best ways of obtaining and distributing the needed guaranty for the great loan, the exact use to be made of the proceeds, are all matters for international argument and negotiation. But the Daily News does emphatically and unequivocally uphold the underlying principle of coupling with world peace and security the questions of debts and reparation payments. Therefore it trusts that Mr. Levinson's idea will receive the serious consideration it deserves and will become a topic for world-wide discussion among responsible statesmen.

#### STATE RIGHTS VERSUS FEDERAL USURPATION

Mr. McKELLAR. Mr. President, I ask leave to have printed in the RECORD an article entitled "State rights versus Federal usurpation," which appeared in the Nashville Banner of Sunday, December 4, 1927.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is here printed, as follows:

If there are those who doubt the existence of a very serious issue between the State and Federal Governments on the question of jurisdiction over the development of water-power resources, the annual report of the Federal Water Power Commission is sufficient to convince such persons that this issue does exist, and that it is of tremendous importance and far-reaching in its consequence.

During the last session of Congress a bill was introduced by Senator McKELLAR and Representative FINIS GARRETT seeking to define navigable waters and to limit the authority of the Federal Water Power Commission to supervision over the erection of dams and obstructions in such navigable streams, and thereby recognize and acknowledge through a Federal statute the exclusive jurisdiction of the several States over nonnavigable streams. This bill has undoubtedly given the Federal Water Power Commission serious concern. That body has been assuming jurisdiction not only over navigable streams, but also over nonnavigable streams, and endeavoring to exercise authority over water-power resources which, under the Federal Constitution and the various State constitutions, when properly interpreted, belong exclusively to the several States.

The McKellar-Garrett bill proposes to curb this usurpation of State rights by the Federal commission. It proposes to lay down a definite line of demarcation between the State and Federal authority on the questions of navigation and water-power development. It would wipe out the twilight zone of uncertainty and of conflicting jurisdiction which exists to-day between the States and the Federal Government by reason of the unconstitutional interpretation which the Federal Power Commission has been placing on the Federal water power act. The bill introduced in Congress by McKELLAR and GARRETT would say to the Federal

Government, "Thus far shalt thou go, but no further." It would render unto the States the things that are the States', and unto the Federal Government the things which, under the Constitution, are subject to Federal control.

The McKellar-Garrett bill would say to the Federal Government, "Under the delegated powers expressed in the Federal Constitution this is your territory," and it would say to the States, "Under the reserved powers of the several States this belongs to you." Which is a consummation devoutly to be wished. It is absolutely essential as a matter of practical administration. It must come sooner or later. It is better that this grave issue should be settled by an unequivocal statutory enactment by the Federal Government and by similar State legislation than have it ultimately settled as a result of harassing, delaying, and expensive litigation involving a multiplicity of lawsuits.

The annual report of the Washington Power Commission, which was released for publication a few days ago, reveals a determination to oppose the passage of the McKellar-Garrett bill and to resist any curtailment of the authority of the Federal commission as that body has heretofore interpreted its powers. A brief résumé of certain portions only of the report was sent out from Washington for publication throughout the country.

The extracts from the report which were broadcast to the various States and congressional districts were calculated to create the impression on the minds of the people that the Federal commission acknowledges the jurisdiction of the several States over their water-power resources and that no issue really exists between the Federal Government and the several States. However, the vital sections of the report which were published in Washington sharply challenge the principles embodied in the McKellar-Garrett bill and make an issue with the several States on the question of their exclusive jurisdiction over nonnavigable streams within their respective borders.

This is a serious issue. When applied to conditions existing in Tennessee it is of far-reaching importance. The great Cove Creek Basin in Tennessee is located on a nonnavigable stream. It is conceded to be one of the most valuable water-power sites in the United States, even rivaling in magnitude Muscle Shoals.

As a water-power project, it lies wholly within this State. It belongs to the State of Tennessee in trust for all the people. It is under the jurisdiction of and it should be developed on the terms and conditions prescribed by Tennessee, and the electric energy generated by the water power of this great project should be utilized in such manner as this State may direct. All revenues arising from it should go into the State treasury, and the Federal Government should not be permitted to interfere with the rights of the State over the development and utilization of the energy generated.

The position taken by the Federal Water Power Commission in its annual report would make it possible for that bureau to exercise the jurisdiction and authority with respect to Cove Creek which should be exercised exclusively by Tennessee. The Federal authorities predicate their claims of jurisdiction on the theory that, although the Cove Creek project is located on a nonnavigable stream, its development will affect the navigability of the Tennessee River. Such a claim appears to be a mere pretext to enable the Federal commission to control the use of the water-power resource of Cove Creek, and other projects in the United States having a similar status.

For the ostensible purpose of improving navigation, the Federal Government must not be allowed to assert unbridled authority over nonnavigable streams, with a real purpose to tie Cove Creek and Muscle Shoals together as parts of a great superpower system, and turn both over to the power combine. The hearings before the House Military Affairs Committee clearly indicate that the major object in the mind of the Federal Power Commission is to thus tie the two together for power purposes, and that the alleged purpose to improve the navigability of the Tennessee River is a thinly disguised pretext which that commission hopes to use as a legal justification for carrying out its major purpose of asserting jurisdiction over the water-power resources of Cove Creek. The tail should not be permitted to wag the dog.

If the several States should concede the authority of the Federal Government to the extent asserted by the Federal Power Commission the States would be reduced to a point of impotence in the control of their water-power resources. This issue affects vitally the material welfare of Tennessee, and in addition involves directly the question of State sovereignty. If the Federal Government is permitted to encroach upon the authority of the several States, here a little and there a little, ultimately the States will be reduced to the status of dependent provinces.

Cove Creek water power, when properly developed and utilized, should yield Tennessee millions of dollars annually in revenue. In addition it can be made to add hundreds of millions of dollars to the industrial wealth of the State if it is developed and used primarily as a hydroelectric project in a manner that will produce the maximum amount of power.

This can and should be done under the jurisdiction and direction of the State and without impairing in the least degree the navigability of the Tennessee River. So long as the State does not permit the development and use of the water power in Cove Creek to impair the naviga-

bility of the Tennessee River in its natural condition the Federal Government should be required to keep hands off. Of course, the State has no disposition to impair the navigability of any stream flowing through the State. It is interested in improving navigation, but the development and use of the water power in Cove Creek, so long as it does not impair navigation, is a question over which the Federal Government should have no jurisdiction.

The Banner sincerely trusts that the McKellar-Garrett bill will be introduced in the coming session of Congress; that it will fix definitely the line of demarcation between State and Federal authority on this important question, and that it will in no uncertain terms assert the complete jurisdiction of the several States over nonnavigable streams within their respective borders and likewise the authority of the States with respect to the water-power resources, even on navigable streams, subject alone to the limited authority of the Federal Government over questions of navigation.

The Federal water power act should be amended in whatever particular is necessary to assert the rights of the States over their water resources. The people of Tennessee should not be compelled to go to Washington and ask a Federal bureau or commission what use they may make of their own natural resources. That question should always be decided by the State of Tennessee, acting in its own sovereign capacity as trustee for all its people.

There is a grave issue existing between the State and the Federal Government on the question of water development, and those who doubt the existence of such an issue should read and study carefully the report of the Federal commission just published.

There are many able, distinguished jurists and lawyers who are thoroughly convinced that the Federal water power act as it now stands is unconstitutional. Certainly either the act or its present interpretation and administration is in violation of the Federal organic law. The best legal minds, those who are authorities on the subject, are convinced that if the Federal water power act does confer on the Federal Water Power Commission all of the authority and jurisdiction which that commission has been attempting to exercise, the act itself goes beyond the constitutional authority of the Federal Government. On the other hand, if the Federal water power act, when properly interpreted, does not transcend the constitutional power of the Federal Government, then its administration by the Federal Water Power Commission is in violation of the delegated powers of the Federal Government.

It would be well if the entire Federal water power act were completely revamped, so as to make it a navigation act and not a water power act, so as to only confer jurisdiction on the Federal Government over navigation, and recognize the exclusive authority of the States over their water-power resources. Sooner or later, the better.

The States of the American Union should never willingly submit to any invasion by the Federal Government of their political, property, or revenue rights. When such an issue arises, it should be submitted to and determined by the people. The States have already yielded too far and too often. Federal bureaucratic government from Washington must not be permitted to dominate and control local State matters. The separation of State and Federal authority by our fathers was wise and beneficent. That separation must be preserved.

The famous toast of that immortal Tennessean, Andrew Jackson, President of the United States: "The Federal Union—it must be preserved," was timely and all-important. It was uttered by the great warrior and statesman at a critical time in the Nation's history. He meant what he said. If Old Hickory were living to-day, when the several States of the Union are confronted with a threatened usurpation of their authority and invasion of their sovereignty, he would declare with equal emphasis and determination:

State sovereignty—"by the eternal"—it must be preserved.

#### RECESS

The VICE PRESIDENT. The calendar is in order, but there is no calendar. What is the pleasure of the Senate?

Mr. CURTIS. Mr. President, I understand that the Senator from Missouri [Mr. REED] would like to take up his resolution this morning. As he has a case in the Supreme Court, and Senators are conferring with him on that question now, I move that the Senate take a recess for 10 minutes.

Mr. SMITH. Mr. President, before that is done, what is the reason that the recess is asked for?

Mr. CURTIS. I understand that Senators are consulting with the Senator from Missouri as to whether or not he wants to go on with his resolution to-day. He is now engaged in the Supreme Court, and they will be back in a few minutes to let the Senate know.

I move that the Senate take a recess until 1 o'clock.

The VICE PRESIDENT. The question is on the motion of the Senator from Kansas.

The motion was agreed to; and (at 12 o'clock and 35 minutes p. m.) the Senate took a recess until 1 o'clock p. m., at which time it reassembled.

#### REPORT OF BOARD OF DIRECTORS OF PANAMA RAILROAD CO.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, with the accompanying report, which was read and referred to the Committee on Interoceanic Canals:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the seventy-eighth annual report of the board of directors of the Panama Railroad Co. for the fiscal year ended June 30, 1927.

CALVIN COOLIDGE.

THE WHITE HOUSE, December 12, 1927.

#### STUDY OF UNITED STATES BATTLE FIELDS FOR COMMEMORATIVE PURPOSES

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying paper, referred to the Committee on Military Affairs and ordered to be printed:

To the Congress of the United States:

In compliance with section 2 of the act of Congress to provide for the study and investigation of battle fields in the United States for commemorative purposes, approved June 11, 1926, I transmit herewith a report by the Secretary of War of the progress made under the said act, together with his recommendations for further operations.

CALVIN COOLIDGE.

THE WHITE HOUSE, December 12, 1927.

#### REPORTS OF THE ALASKA RAILROAD

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying reports, referred to the Committee on Territories and Insular Possessions:

To the Congress of the United States:

I transmit herewith for the information of the Congress the annual reports of the Alaska Railroad for the fiscal years ended June 30, 1926, and June 30, 1927.

CALVIN COOLIDGE.

THE WHITE HOUSE, December 12, 1927.

#### CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Ferris	McKellar	Shortridge
Barkley	Fletcher	McMaster	Simmons
Bayard	Frazier	McNary	Smith
Bingham	George	Mayfield	Smoot
Black	Gerry	Metcalf	Steck
Blaine	Gillett	Moses	Stetwer
Bleas	Glass	Neely	Stephens
Borah	Goff	Norbeck	Swanson
Bratton	Gould	Nye	Thomas
Brookhart	Greene	Oddie	Trammell
Broussard	Hale	Overman	Tydings
Bruce	Harris	Phipps	Tyson
Capper	Harrison	Pine	Wagner
Caraway	Hayden	Pittman	Walsh, Mass.
Copeland	Heflin	Ransdell	Warren
Couzens	Howell	Reed, Mo.	Waterman
Curtis	Johnson	Reed, Pa.	Watson
Dale	Jones, Wash.	Robinson, Ind.	Wheeler
Deneen	Kendrick	Sackett	Willis
Dill	Keyes	Schall	
Edge	King	Sheppard	
Edwards	La Follette	Shipstead	

The PRESIDING OFFICER (Mr. GOFF in the chair). Eighty-five Senators having answered to their names, a quorum is present.

#### COL. CHARLES A. LINDBERGH

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 3190) authorizing the President of the United States to present in the name of Congress a medal of honor to Col. Charles A. Lindbergh, in which it requested the concurrence of the Senate.

Mr. REED of Missouri rose.

Mr. BINGHAM. Mr. President, will the Senator yield?

Mr. REED of Missouri. I ask unanimous consent for the present consideration of the bill just received from the House of Representatives.

Mr. CURTIS. I hope there will be no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri? The Chair hears none and lays the bill before the Senate.

The bill (H. R. 3190) authorizing the President of the United States to present in the name of Congress a medal of honor to Col. Charles A. Lindbergh was read the first time by its title and the second time at length, as follows:

*Be it enacted etc.*, That the President of the United States be, and he is hereby, authorized to present in the name of Congress a medal of honor to Col. Charles A. Lindbergh, United States Army Air Corps Reserve, for displaying heroic courage and skill as a navigator, at the risk of his life, by his nonstop flight in his plane, the *Spirit of St. Louis*, from New York City to Paris, France, on May 20, 1927, by which he not only achieved the greatest individual triumph of any American citizen but demonstrated that travel across the ocean by aircraft was possible.

Mr. BLEASE. Mr. President, I would like to ask a question for information. Is not the resolution in violation of the statute relating to those to whom the congressional medal of honor may be awarded?

The PRESIDING OFFICER. The Chair is not informed that it is.

Mr. BLEASE. Then I object until that question is passed upon. If I get the information that it is not in violation of such a statute I shall not object, but until I am informed that it is not contrary to the statute I must object. I think it is not right to sit here and permit a resolution, which I believe to be contrary to the statutes of the United States, to be passed without objection.

Mr. REED of Missouri. I understood unanimous consent had been granted.

The PRESIDING OFFICER. The Senator from Missouri is correct.

Mr. BLEASE. I was endeavoring to get recognition from the Chair at the time, but I am somewhat hoarse this morning and could not attract his attention. I do not see why my friend from Missouri would want to have the resolution passed if it is contrary to the statute. I want the man to have the honor, but I object if it is violative of the laws of the country.

Mr. REED of Missouri. This, Mr. President, is not a resolution. It is a proposed act of Congress, and, of course, Congress can at any time enact a law touching the same subject matter that is covered by previous enactments. My friend from South Carolina did not, I think, in the confusion, catch the form of the measure. It is a bill, and reads:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the President of the United States be, and he is hereby, authorized to present—

And so forth.

Of course, Congress can at any time pass a bill of that kind notwithstanding any previous general law which may have existed, and I hope my friend will not oppose it.

Mr. COPELAND. Mr. President, will the Senator from Missouri yield to me?

Mr. REED of Missouri. Certainly.

Mr. COPELAND. May I say to the Senator from South Carolina that I have no doubt he has in mind the thought that the congressional medal of honor can only be conferred upon an officer or man in the service.

Mr. BLEASE. No; but I think it has to be conferred upon a man for bravery in action.

Mr. COPELAND. It is in response to that very thought that I want to speak for a moment.

Mr. REED of Missouri. I understood the whole point the Senator from South Carolina desired to make was that this was a resolution and that such a resolution would be violative of the statute. But it is not a resolution. It is a bill, and that being the case, of course it can be passed.

Mr. BLEASE. I accept the Senator's construction of the law, of course.

Mr. SMOOT. Mr. President, I may say that it has been done many times in this body. A number of times since I have been here it has been done.

Mr. BLEASE. But that does not make it right.

Mr. SMOOT. No; but I do not think it is unlawful at all.

Mr. COPELAND. May I say further that I had occasion last year to look up the record of Congress relative to the conferring of this honor, and I found that it had been granted to laymen, in one case to a man who gave a ship to the United States during the Civil War. I can see no reason in the world why the honor may not be conferred upon this splendid young man.

Mr. SWANSON. Mr. President, there is a general statute providing for the conferring of the congressional medal of honor, and it would not be necessary to have a special act of Congress to confer it. However, this is a case involving unusual bravery, courage, and achievement, and it is desired to have a special act

of Congress to confer it. If it were desired merely to comply with the general statute there would be no occasion to have this special enactment; but it is desired to have a special act of Congress in this case. It does not violate the statute in any way. Colonel Lindbergh is in the Reserve Corps.

Mr. BLEASE. I have already stated that if the Senator from Missouri said it can be done legally I would make no further objection.

Mr. REED of Missouri. I make that statement unqualifiedly.

Mr. BLEASE. I would take the Senator's word anywhere.

There being no objection, the bill was considered as in Committee of the Whole.

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

#### CLAIM OF JUAN SORIANO (S. DOC. 13)

The PRESIDING OFFICER (Mr. Goff in the chair) 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 Congress of the United States:*

I transmit herewith a report by the Secretary of State requesting the submission anew to the present Congress of the matter of a claim against the United States for the death on October 2, 1923, at Guerra, Dominican Republic, of Juan Soriano, a Dominican subject, who was killed by the landing of an airplane belonging to the United States Marine Corps, which formed the subject of a report made by the Secretary of State to me in March, 1926, and my message to the Congress dated March 22, 1926, which comprise Senate Document No. 84, Sixty-ninth Congress, first session, copies of which are furnished for the convenient information of the Congress.

I renew my recommendation originally made, that in order to effect a settlement of this claim, the Congress, as an act of grace, and without reference to the legal liability of the United States in the premises, authorize an appropriation in the sum of \$2,000, and I bring the matter anew to the attention of the present Congress in the hope that the action recommended may receive favorable consideration.

CALVIN COOLIDGE.

THE WHITE HOUSE, December 12, 1927.

#### SECOND PAN AMERICAN CONFERENCE ON HIGHWAYS (S. DOC. 11)

The PRESIDING OFFICER 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 Congress of the United States:*

I renew the request I made of the Sixty-ninth Congress that legislation be enacted authorizing an appropriation of \$15,000, to enable the United States to participate in the Second Pan American Conference on Highways, which had been fixed to be held at Rio de Janeiro in the calendar year 1927, but which was postponed to meet at the same city in June, 1928.

A joint resolution for this purpose passed the House of Representatives on January 17, 1927, and was favorably reported to the Senate by the Committee on Foreign Relations, but failed to be reached in the Senate before final adjournment of the Sixty-ninth Congress.

The attention of Congress is invited to the accompanying report of the Secretary of State, and House Document No. 631, Sixty-ninth Congress, second session, therewith inclosed, in which the facts regarding this conference are set forth.

CALVIN COOLIDGE.

THE WHITE HOUSE, December 12, 1927.

#### INVESTIGATION OF ELECTION EXPENDITURES

Mr. REED of Missouri. Mr. President, at this time I desire to call up Senate Resolution 10 and to ask for its immediate consideration.

The PRESIDING OFFICER. The Chair lays before the Senate the resolution submitted by the Senator from Missouri, which will be read.

The resolution (S. Res. 10) submitted by Mr. REED of Missouri on the 9th instant was read and considered, as follows:

*Resolved*, That a resolution of the United States Senate, agreed to on May 19, 1926, numbered Senate Resolution 105, of the Sixty-ninth Congress, first session, creating a special committee to investigate expenditures in senatorial primary and general elections, and all subsequent resolutions dealing with the said special committee and agreed to by the United States Senate during the Sixty-ninth Congress (to wit, S. Res. 227, S. Res. 258, and S. Res. 324), have continued in full force

and operation since the dates of their respective enactment by the Senate, and do now, as then, express the will of this body.

And that the said special committee appointed pursuant to said Senate Resolution 195 of the Sixty-ninth Congress, first session, shall continue to execute the directions of the said several resolutions relating to the said committee until the Senate accepts or rejects the final report of the said special committee or otherwise orders.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

Mr. REED of Pennsylvania. Mr. President, I am quite well aware that the votes are here to adopt this resolution and that scant attention will be paid to anything that I may say about it. I can not, however, permit the resolution to be adopted without calling attention to the error that it embodies. The resolution as drafted and submitted contains a declaration by the Senate that the resolutions creating this committee, and the committee itself, "have continued in full force and operation since the dates of their respective enactment by the Senate, and do now as then, express the will of this body." That is a statement of past facts, and if the votes are here, as they are, that statement of facts will be made. I wish to call attention before it is made, however, to the fact that it is not a correct statement of past facts. We have Rule XXV of the Senate, and in the second paragraph of that rule it is provided:

The said committees—

Which are the standing committees mentioned in paragraph 1—

shall continue and have the power to act until their successors are appointed.

If it were not for the second paragraph of Rule XXV every committee of the Senate, except the Committee to Audit and Control the Contingent Expenses of the Senate, which is kept alive by law, would expire with the adjournment of Congress.

That used to be universally recognized, and it was the custom in the closing days of each Congress to pass a special resolution continuing the standing committees in effect throughout the period of adjournment until their successors were created. I turn back to the CONGRESSIONAL RECORD of February 25, 1919, when, as Senators will remember, our brethren on the other side of the aisle were in control.

Mr. Martin, the then Senator from Virginia, presented a resolution reading:

That the standing committees of the Senate as constituted at the end of the session be, and they are hereby, continued until the next session of Congress or until their successors are duly elected.

Mr. Lodge, at that time the majority leader, then rose and stated that he was in favor of the resolution, saying:

We have always passed a similar resolution. I only wanted to speak to the Senator from Virginia as to his understanding being the same as mine—that none of these committees, with the exception of the Committee on Contingent Expenses, exists by statute, and none of them, of course, would transact any business whatever between the expiration of this Congress and the assembling of the new Congress. The Senator from Virginia agrees with me entirely about that.

Mr. Martin, of Virginia, then rose and said:

I do. When this Congress expires all these committees expire, except the vitality given by this resolution.

Then the resolution was adopted.

A few years afterwards, in order to prevent the necessity for the adoption of such a resolution at each session of the dying Congress, paragraph 2 of the Standing Rules was put in to end it, and the standing committees of the Senate are kept alive throughout the period of adjournment. Paragraph 2, however, does not apply to special committees. There was no resolution continuing this special committee, and, under the law, as agreed upon by both sides of this Chamber, that special committee died with the adjournment of the Sixty-ninth Congress. The United States Senate can, if it pleases, assuming that it has the votes, declare that last month was July or that this place is Chicago; if it could muster the votes, nobody could stop it.

Mr. KING. Mr. President—

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Utah?

Mr. REED of Pennsylvania. I yield.

Mr. KING. The resolutions in question required the committee of which the Senator from Missouri [Mr. REED] is chairman to collect the ballots, to preserve them, and count them. Does the Senator interpret those resolutions as not giving to that committee the power to continue its activities until it shall have discharged the duties and the mandate

therein required or until by special act of the Senate it shall have been released from its duties?

Mr. REED of Pennsylvania. It may be that that part of the authority of the committee continued by implication; I do not know; but it was not that power that was in question. I also recall that the Committee on Privileges and Elections was given jurisdiction of the election contest in Pennsylvania. That was the committee that should have collected the ballots and preserved them under that record.

Mr. KING. The Senator will recall that the resolutions to which I have referred authorized the committee to sit at such times and places as it might determine upon and to collect and preserve all those ballots. Obviously, inasmuch as the last resolution which required the special committee to preserve the ballots was adopted within a few weeks of the adjournment, it would have been impossible for the committee to have collected those ballots and to have preserved them until the meeting of the Senate in December, if it ceased to exist just as soon as the Congress adjourned last March.

Mr. REED of Pennsylvania. On the contrary, after that authority was given to collect the ballots the Senate referred the matter to the Privileges and Elections Committee; so that the duty of the special committee, as I take it, was to turn the ballots over to the Committee on Privileges and Elections. That is why, it seems to me, the pending resolution embodies an incorrect statement of a historical fact; but, as I said at the beginning, I am perfectly well aware that the votes are here to adopt the resolution in any form in which its sponsor sees fit to present it. I can do no more than protest. I have no desire to waste the time of the Senate on the consideration of the resolution. I have made my protest, and that is all I have to say.

Mr. REED of Missouri. Mr. President, the injured-innocent attitude of the Senator from Pennsylvania is a little amusing. One would think as he stood here plaintively declaiming that he was the sole guardian of what little is left of the public conscience and that all he can do, in the face of a cruel and brutal opposition, is to voice his dissent and save his reputation so that future generations may come to his shrine and say, "Here lie the bones of the only honest man of his period."

Mr. President, unfortunately for his position, unfortunately for the stand he now takes, and which is based upon the filibuster that he conducted here for the purpose of stopping these investigations and aborting this effort to learn what was going on in various States—unfortunately for all that, the Supreme Court has decided this question. The committee, which I believe was called the Wheeler Committee, was a special committee. The Wheeler Committee summoned Mr. Daugherty before it. Daugherty failed to come. Proceedings occurred in a recess, and the Supreme Court said this about it:

Another question has arisen which should be noticed. It is whether the case has become moot. The investigation was ordered and the committee appointed during the Sixty-eighth Congress. That Congress expired March 4, 1925. The resolution ordering the investigation in terms limited the committee's authority to the period of the Sixty-eighth Congress; but this apparently was changed by a later and amendatory resolution authorizing the committee to sit at such times and places as it might deem advisable or necessary.

That is the exact language of the Robinson resolution, which gave the special committee additional power.

It is said in Jefferson's Manual: "Neither House can continue any portion of itself in any parliamentary function beyond the end of the session without the consent of the other two branches. When done, it is by a bill constituting them commissioners for the particular purpose." But the context shows that the reference is to the two Houses of Parliament when adjourned by prorogation or dissolution by the King. The rule may be the same with the House of Representatives whose Members are all elected for the period of a single Congress; but it can not well be the same with the Senate, which is a continuing body, whose Members are elected for a term of six years and so divided into classes that the seats of one-third only become vacant at the end of each Congress, two-thirds always continuing into the next Congress, save as vacancies may occur through death or resignation.

Mr. Hinds in his collection of precedents says: "The Senate, as a continuing body, may continue its committees through the recess following the expiration of a Congress"; and, after quoting the above statement from Jefferson's Manual, he says: "The Senate, however, being a continuing body, gives authority to its committees during the recess after the expiration of a Congress." So far as we are advised, the select committee having this investigation in charge has neither made a final report nor been discharged; nor has it been continued by an affirmative order. Apparently its activities have been suspended pending the decision of this case. But, be this as it may, it is certain that the committee may be continued or revived now by motion

to that effect, and, if continued or revived, will have all its original powers. This being so, and the Senate being a continuing body, the case can not be said to have become moot in the ordinary sense.

That settles this question; and I am ready to vote on the resolution.

I ask for the yeas and nays.

Mr. ROBINSON of Indiana. Mr. President, I should like to ask the Senator from Missouri one question about the last paragraph in the resolution, particularly with reference to this language—

shall continue to execute the directions of the said several resolutions relating to the said committee until the Senate accepts or rejects the final report of the said special committee or otherwise orders.

I assume that has reference to the committee's final report on elections held last year. That has nothing to do with any elections which may be held during 1928, for instance?

Mr. REED of Missouri. Oh, no. The committee has no thought of going into those elections, as far as I know; but the language speaks for itself, and I think what it means is perfectly plain.

Mr. ROBINSON of Indiana. The point I am getting at is this: Next year 32 Members of the Senate are to be elected.

Mr. REED of Missouri. Does the Senator mean are we going to investigate the 1928 elections?

Mr. ROBINSON of Indiana. That is precisely it.

Mr. REED of Missouri. I certainly am not, unless the Senate hereafter commands me to do so by another resolution; and I hope I shall never have to investigate any election anywhere again.

I call for the yeas and nays on the adoption of the resolution.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. GLASS (when his name was called). I have a general pair with the senior Senator from Connecticut [Mr. McLEAN]. Until I find whether or not he will vote I withhold my vote.

Mr. BRATTON (when the name of Mr. JONES of New Mexico was called). I have already announced that my colleague [Mr. JONES of New Mexico] is absent on account of illness. He is paired with the junior Senator from Idaho [Mr. GOODING]. If my colleague were present, he would vote "yea" on this question.

Mr. SACKETT (when his name was called). I have a general pair with the junior Senator from Missouri [Mr. HAWES]. Not having been informed how he would vote on this question, I withhold my vote.

The roll call was concluded.

Mr. FLETCHER. I have a general pair with the junior Senator from Delaware [Mr. DU PONT], which I transfer to the senior Senator from Montana [Mr. WALSH], and will vote. I vote "yea."

Mr. GLASS. I transfer my regular pair with the senior Senator from Connecticut [Mr. McLEAN] to the junior Senator from Massachusetts [Mr. WALSH] and will vote. I vote "yea."

Mr. WILLIS. I note that my colleague [Mr. FESS] is unavoidably absent from the Senate. I am not definitely advised as to how he would vote if he were present, but it is my impression that if present he would vote "nay."

Mr. WALSH of Massachusetts entered the Chamber and voted "yea."

Mr. REED of Missouri. I desire to announce that my colleague [Mr. HAWES] is necessarily absent from the Senate. If he were present, he would vote "yea."

Mr. HOWELL. The senior Senator from Nebraska [Mr. NORRIS] is detained at his home by illness. I presume that he would vote "yea" upon this resolution.

Mr. GLASS. The junior Senator from Massachusetts [Mr. WALSH] having appeared in the Chamber since I made the transfer to him, I shall have to withdraw my vote.

Mr. JONES of Washington. I desire to announce that the senior Senator from Kansas [Mr. CURTIS] is temporarily absent on official business. He is paired with the senior Senator from Arkansas [Mr. ROBINSON].

I also desire to announce that the junior Senator from Idaho [Mr. GOODING] is absent on account of illness. He is paired with the senior Senator from New Mexico [Mr. JONES].

The result was announced—yeas 58, nays 21, as follows:

#### YEAS—58

Ashurst	Broussard	Ferris	Hayden
Barkley	Bruce	Fletcher	Heflin
Bayard	Capper	Frazier	Howell
Black	Caraway	George	Johnson
Blaine	Copeland	Gerry	Jones, Wash.
Borah	Couzens	Goff	Kendrick
Bratton	Dill	Harris	King
Brookhart	Edwards	Harrison	La Follette

McKellar	Overman	✓ Smith	Tyson
McMaster	Pittman	Steck	Wagner
McNary	Ransdell	Stephens	Walsh, Mass.
Mayfield	Reed, Mo.	Swanson	Wheeler
Neely	Sheppard	Thomas	Wills
Norbeck	Shipstead	Trammell	
Nye	Simmons	Tydings	

#### NAYS—21

Bingham	Hale	Pine	Steiger
Blease	Keyes	Reed, Pa.	Warren
Deneen	Metcalf	Robinson, Ind.	Waterman
Edge	Moses	Schall	
Gillett	Oddie	Shortridge	
Gould	Phipps	Smoot	

#### NOT VOTING—15

Curtis	Glass	Jones, N. Mex.	Sackett
Dale	Gooding	McLean	Walsh, Mont.
du Pont	Greene	Norris	Watson
Fess	Hawes	Robinson, Ark.	

So Senate Resolution 10 was agreed to.

#### URGENT DEFICIENCY APPROPRIATIONS

Mr. JONES of Washington. Mr. President, I do not see the senior Senator from Wyoming [Mr. WARREN] in the Chamber, and I understand the Senate will not be given an opportunity to take up the urgent deficiency appropriation bill to-day.

Mr. McKELLAR. The senior Senator from Mississippi [Mr. HARRISON] said something about wanting the bill to go over, but I do not know whether he still has that idea or not.

Mr. JONES of Washington. I understand the Senator from Mississippi desires that the bill go over until to-morrow.

Mr. HARRISON. I wanted to read it. At the time it was presented this morning I had not read it. I have done so since then, and if the Senate wants to proceed with it now I shall not interpose an objection.

Mr. CURTIS. I understand that the junior Senator from Utah [Mr. KING] will object to the consideration of the urgent deficiency appropriation bill to-day.

Mr. SMITH. Mr. President, unless there is serious objection to taking up that bill, I would be glad to have the Senate proceed with its consideration this afternoon, if all the Senators interested are prepared to go on with it, because there are included in that bill some matters of importance which ought to be discussed.

Mr. CURTIS. I understand the junior Senator from Utah objects, and wants the bill to go over until to-morrow. If he objects, under the rule it must go over.

The PRESIDING OFFICER (Mr. ODDIE in the chair). Objection being made, under the rule the bill will go over until to-morrow.

#### EXECUTIVE SESSION

Mr. CURTIS. 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 the Senate (at 1 o'clock and 55 minutes p. m.) adjourned until to-morrow, Tuesday, December 13, 1927, at 12 o'clock meridian.

#### NOMINATIONS

*Executive nominations received by the Senate December 12, 1927*

##### MEMBER OF UNITED STATES SHIPPING BOARD

Albert H. Denton, of Kansas, to be a member of the United States Shipping Board for a term of six years from June 9, 1927.

##### MEMBER OF THE BOARD OF MEDIATION

G. Wallace W. Hanger, of the District of Columbia, to be a member of the Board of Mediation created by section 4 of the railway labor act, approved May 20, 1926, for a term expiring five years after January 1, 1928.

#### HOUSE OF REPRESENTATIVES

MONDAY, December 13, 1927

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father who art in heaven, our days are in Thine hands. Do Thou give us the blessing of a sweet resignation. Come to us and sweep aside the mists of error; fortify our weakness and strengthen in all of us the wholesome sense of personal worth and the joy of life. Help us to glory in the wonderful precepts of the Master, by whose invasion the world is to be conquered, by whose presence the world is to be awed, by whose

rapture the world is to be thrilled, and by whose knees the world is to bow. O may the knowledge of His truth wedge its way into all our lives and may our feet press His highway. Amen.

The Journal of the proceedings of Saturday, December 10, 1927, was read and approved.

#### SWEARING IN OF MEMBERS

Mr. LEATHERWOOD, of the second district of the State of Utah, and Mr. STEVENSON, of the fifth district of the State of South Carolina, appeared at the bar of the House and took the oath of office.

#### DISTINGUISHED VISITOR

Mr. TILSON. Mr. Speaker, the House is again honored in having a distinguished visitor. In the Speaker's row of the Members' gallery is the Speaker of the House of Venezuela, Señor G. Manrique Pacanins. [Applause.]

#### COMMITTEES OF THE HOUSE

Mr. TILSON. Mr. Speaker, I send a resolution to the Clerk's desk and ask for its immediate consideration.

The SPEAKER. The gentleman from Connecticut offers a resolution which the Clerk will report.

The Clerk read as follows:

#### House Resolutions 53 and 54

*Resolved*, That the following Members of the House be elected chairmen and members of the several standing committees of the House, as follows:

Mr. GARRETT of Tennessee (interposing). Does the gentleman regard it as important that they be read or would it do to insert them in the RECORD without reading?

Mr. TILSON. Of course, that can be done by unanimous consent.

Mr. GARRETT of Tennessee. It will save time.

Mr. TILSON. I have no objection. Mr. Speaker, I ask unanimous consent that the list of committees as presented by the Republican committee on committees for majority places be elected without reading.

Mr. GARNER of Texas. Mr. Speaker, I ask unanimous consent that the same procedure be followed as to the minority members of committees named in the resolution I send to the Clerk's desk.

Mr. TILSON. Mr. Speaker, there is no objection.

The SPEAKER. The gentleman from Connecticut and the gentleman from Texas ask unanimous consent that the Members named in the respective resolutions be declared elected as members of the several standing committees of the House. Is there objection?

Mr. CONNALLY of Texas. Mr. Speaker, reserving the right to object, the gentleman from Connecticut made the request that those Members be elected to committees who had been recommended by the Republican committee on committees?

Mr. TILSON. Yes.

Mr. CONNALLY of Texas. Has that action been approved by the Republican caucus?

Mr. TILSON. Without a protest or objection, this can be done by unanimous consent.

Mr. CONNALLY of Texas. I understand, but I mean, has the action of the committee on committees been approved by the Republican caucus?

Mr. TILSON. No; and it was not done two years ago, the same action being then taken by unanimous consent.

Mr. CONNALLY of Texas. Then the gentleman's committee does not consult the Members of the majority party about it?

Mr. TILSON. We surely do consult them, and we feel that the Members of the majority party have confidence in our committee.

The SPEAKER. Is there objection?

Mr. BERGER. Mr. Speaker, reserving the right to object, will the list of committees for the real minority party also be printed in the RECORD?

Mr. TILSON. Yes; the entire third party in the House will be printed in the committee lists in capital letters, following the majority members.

The SPEAKER. Is there objection?

There was no objection.

The list of the chairmen and members of the several standing committees of the House is as follows:

#### MAJORITY COMMITTEE ASSIGNMENTS

*Accounts.*—Clarence MacGregor (chairman), of New York; Charles L. Underhill, of Massachusetts; Randolph Perkins, of New Jersey; Benjamin M. Golder, of Pennsylvania; Carl G. Bachmann, of West Virginia; U. S. Guyer, of Kansas; and Charles A. Kading, of Wisconsin.

*Agriculture.*—Gilbert N. Haugen (chairman), of Iowa; Fred S. Purnell, of Indiana; Thomas S. Williams, of Illinois; Charles J. Thompson, of Ohio; John C. Ketcham, of Michigan; Thomas Hall, of North Dakota; Harcourt J. Pratt, of New York; Franklin W. Fort, of New Jersey; Franklin Menges, of Pennsylvania; August H. Andresen, of Minnesota; Charles Adkins, of Illinois; John D. Clarke, of New York; Clifford R. Hope, of Kansas; and Victor S. K. Houston, of Hawaii.

*Banking and Currency.*—Louis T. McFadden (chairman), of Pennsylvania; Edward J. King, of Illinois; James G. Strong, of Kansas; Robert Luce, of Massachusetts; Clarence MacGregor, of New York; E. Hart Fenn, of Connecticut; Guy E. Campbell, of Pennsylvania; Elmer O. Leatherwood, of Utah; Carroll L. Beedy, of Maine; Joseph L. Hooper, of Michigan; John C. Allen, of Illinois; and Godfrey G. Goodwin, of Minnesota.

*The Census.*—E. Hart Fenn (chairman), of Connecticut; Clarence J. McLeod, of Michigan; Hays B. White, of Kansas; Lloyd Thurston, of Iowa; Frederick W. Magrady, of Pennsylvania; Henry L. Bowles, of Massachusetts; Florence P. Kahn, of California; Albert Johnson, of Washington; Daniel A. Reed, of New York; Hubert H. Peavey, of Wisconsin; Robert H. Clancy, of Michigan; J. Howard Swick, of Pennsylvania; and C. G. Selvig, of Minnesota.

*The Civil Service.*—Frederick R. Lehlbach (chairman), of New Jersey; Addison T. Smith, of Idaho; Ernest W. Gibson, of Vermont; Joe J. Manlove, of Missouri; Lloyd Thurston, of Iowa; Carl G. Bachmann, of West Virginia; Richard N. Elliott, of Indiana; James H. Sinclair, of North Dakota; George J. Schneider, of Wisconsin; Edith Nourse Rogers, of Massachusetts; Frederick W. Dallinger, of Massachusetts; Robert H. Clancy, of Michigan; and Cyrus M. Palmer, of Pennsylvania.

*Claims.*—Charles L. Underhill (chairman), of Massachusetts; Willis G. Sears, of Nebraska; Joseph D. Beck, of Wisconsin; Roy G. Fitzgerald, of Ohio; Scott Leavitt, of Montana; Henry R. Rathbone, of Illinois; Ed. M. Irwin, of Illinois; Harry E. Rowbottom, of Indiana; U. S. Guyer, of Kansas; John C. Schafer, of Wisconsin; Robert G. Bushong, of Pennsylvania; Katherine Langley, of Kentucky; and Thomas C. Cochran, of Pennsylvania.

*Coinage, Weights, and Measures.*—Randolph Perkins (chairman), of New Jersey; Albert H. Vestal, of Indiana; Lloyd Thurston, of Iowa; Florence P. Kahn, of California; W. T. Fitzgerald, of Ohio; Florian Lampert, of Wisconsin; George J. Schneider, of Wisconsin; W. H. Sproul, of Kansas; Louis Monast, of Rhode Island; and Dan A. Sutherland, of Alaska.

*Disposition of Useless Executive Papers.*—Edward H. Wason (chairman), of New Hampshire.

*District of Columbia.*—Frederick N. Zihlman (chairman), of Maryland; Charles L. Underhill, of Massachusetts; Clarence J. McLeod, of Michigan; Ernest W. Gibson, of Vermont; Edward M. Beers, of Pennsylvania; Henry R. Rathbone, of Illinois; Gale H. Stalker, of New York; Frank R. Reid, of Illinois; Henry L. Bowles, of Massachusetts; Frank L. Bowman, of West Virginia; Florian Lampert, of Wisconsin; Albert R. Hall, of Indiana; and Thomas A. Jenkins, of Ohio.

*Education.*—Daniel A. Reed (chairman), of New York; John M. Robson, of Kentucky; E. Hart Fenn, of Connecticut; Florence P. Kahn, of California; Edgar R. Kless, of Pennsylvania; Frederick R. Lehlbach, of New Jersey; Wallace H. White, Jr., of Maine; Elmer O. Leatherwood, of Utah; Willis G. Sears, of Nebraska; Benjamin M. Golder, of Pennsylvania; Henry L. Bowles, of Massachusetts; and Louis Monast, of Rhode Island.

*Election of President, Vice President, and Representatives in Congress.*—Hays B. White (chairman), of Kansas; Charles L. Gifford, of Massachusetts; Randolph Perkins, of New Jersey; Arthur M. Free, of California; W. T. Fitzgerald, of Ohio; Frank L. Bowman, of West Virginia; Henry R. Rathbone, of Illinois; and Cyrus M. Palmer, of Pennsylvania.

*Elections No. 1.*—Don B. Colton (chairman), of Utah; Carroll L. Beedy, of Maine; F. D. Letts, of Iowa; Godfrey G. Goodwin, of Minnesota; Charles A. Kading, of Wisconsin; and Robert G. Bushong, of Pennsylvania.

*Elections No. 2.*—Bird J. Vincent (chairman), of Michigan; Randolph Perkins, of New Jersey; Henry R. Rathbone, of Illinois; Carl G. Bachmann, of West Virginia; U. S. Guyer, of Kansas; and Joe Crail, of California.

*Elections No. 3.*—Charles L. Gifford (chairman), of Massachusetts; Willis G. Sears, of Nebraska; Charles Brand, of Ohio; Albert R. Hall, of Indiana; Richard J. Welch, of California; and Thomas C. Cochran, of Pennsylvania.

*Enrolled Bills.*—Guy E. Campbell (chairman), of Pennsylvania; Frederick N. Zihlman, of Maryland; Joe J. Manlove, of Missouri; and Victor L. Berger, of Wisconsin.

*Expenditures in the Executive Departments.*—William Williamson (chairman), of South Dakota; Clarence MacGregor, of New York; Carroll L. Beedy, of Maine; Don B. Colton, of Utah; Frederick W. Dallinger, of Massachusetts; Godfrey G. Goodwin, of Minnesota; F. D. Letts, of Iowa; John C. Schafer, of Wisconsin; J. Russell Leech, of Pennsylvania; and Thomas C. Cochran, of Pennsylvania.

**Flood Control.**—Frank R. Reid (chairman), of Illinois; Charles F. Curry, of California; Roy G. Fitzgerald, of Ohio; William F. Kopp, of Iowa; Phillip D. Swing, of California; Willis G. Sears, of Nebraska; James A. Frear, of Wisconsin; James H. Sinclair, of North Dakota; Gale H. Stalker, of New York; Frederick M. Davenport, of New York; U. S. Guyer, of Kansas; C. G. Selvig, of Minnesota; and Thomas C. Cochran, of Pennsylvania.

**Foreign Affairs.**—Stephen G. Porter (chairman), Pennsylvania; Henry W. Temple, of Pennsylvania; James T. Begg, of Ohio; Theodore E. Burton, of Ohio; Hamilton Fish, jr., of New York; Cyrenus Cole, of Iowa; Morton D. Hull, of Illinois; Joseph W. Martin, jr., of Massachusetts; Charles A. Eaton, of New Jersey; Henry Allen Cooper, of Wisconsin; Edward E. Browne, of Wisconsin; Franklin F. Korell, of Oregon; and Melvin J. Maas, of Minnesota.

**Immigration and Naturalization.**—Albert Johnson (chairman), of Washington; J. Will Taylor, of Tennessee; Hays B. White, of Kansas; Arthur M. Free, of California; Bird J. Vincent, of Michigan; Thomas A. Jenkins, of Ohio; Benjamin M. Golder, of Pennsylvania; Clarence MacGregor, of New York; George J. Schneider, of Wisconsin; Elbert S. Brigham, of Vermont; Carl G. Bachmann, of West Virginia; Katherine Langley, of Kentucky; and J. Mitchell Chase, of Pennsylvania.

**Indian Affairs.**—Scott Leavitt (chairman), of Montana; W. H. Sproul, of Kansas; Gale H. Stalker, of New York; Harold Knutson, of Minnesota; William Williamson, of South Dakota; F. D. Letts, of Iowa; Elbert S. Brigham, of Vermont; Hubert H. Peavey, of Wisconsin; Samuel S. Arentz, of Nevada; W. T. Fitzgerald, of Ohio; Edith Nourse Rogers, of Massachusetts; Harry L. Englebright, of California; Cyrus M. Palmer, of Pennsylvania; and Dan A. Sutherland, of Alaska.

**Insular Affairs.**—Edgar R. Kiess (chairman), of Pennsylvania; Frederick N. Zihlman, of Maryland; Harold Knutson, of Minnesota; Carroll L. Beedy, of Maine; Charles L. Underhill, of Massachusetts; Elbert S. Brigham, of Vermont; Albert R. Hall, of Indiana; Lloyd Thurston, of Iowa; Thomas A. Jenkins, of Ohio; Frederick W. Dallinger, of Massachusetts; Frederick W. Magrady, of Pennsylvania; Joseph L. Hooper, of Michigan; Richard J. Welch, of California; and Felix Cordova Davila, of Porto Rico.

**Interstate and Foreign Commerce.**—James S. Parker (chairman), of New York; John G. Cooper, of Ohio; Edward E. Denison, of Illinois; Schuyler Merritt, of Connecticut; Carl E. Mapes, of Michigan; Walter H. Newton, of Minnesota; Homer Hoch, of Kansas; Adam M. Wyant, of Pennsylvania; Olger B. Burtness, of North Dakota; John E. Nelson, of Maine; Thomas J. B. Robinson, of Iowa; Milton C. Garber, of Oklahoma; Noble J. Johnson, of Indiana; and James M. Beck, of Pennsylvania.

**Invalid Pensions.**—W. T. Fitzgerald (chairman), of Ohio; Richard N. Elliott, of Indiana; Edward M. Beers, of Pennsylvania; Elbert S. Brigham, of Vermont; John M. Nelson, of Wisconsin; Edgar R. Kiess, of Pennsylvania; Daniel A. Reed, of New York; Hays B. White, of Kansas; Frank L. Bowman, of West Virginia; Frederick W. Magrady, of Pennsylvania; Katherine Langley, of Kentucky; C. G. Selvig, of Minnesota; and Victor L. Berger, of Wisconsin.

**Irrigation and Reclamation.**—Addison T. Smith (chairman), of Idaho; Nicholas J. Sinnott, of Oregon; Elmer O. Leatherwood, of Utah; Scott Leavitt, of Montana; Charles E. Winter, of Wyoming; Phillip D. Swing, of California; Samuel S. Arentz, of Nevada; John C. Allen, of Illinois; and Frederick M. Davenport, of New York.

**Judiciary.**—George S. Graham (chairman), of Pennsylvania; Leonidas C. Dyer, of Missouri; William D. Boies, of Iowa; Charles A. Christopherson, of South Dakota; Richard Yates, of Illinois; Ira G. Hersey, of Maine; Earl C. Michener, of Michigan; Andrew J. Hickey, of Indiana; J. Banks Kurtz, of Pennsylvania; C. Ellis Moore, of Ohio; George R. Stobbs, of Massachusetts; James French Strother, of West Virginia; Fiorello H. LaGuardia, of New York; and Homer W. Hall, of Illinois.

**Labor.**—William F. Kopp (chairman), of Iowa; Frederick N. Zihlman, of Maryland; Joe J. Manlove, of Missouri; Harry E. Rowbottom, of Indiana; Richard J. Welch, of California; Joseph R. Beck, of Wisconsin; Addison T. Smith, of Idaho; Albert H. Vestal, of Indiana; Guy E. Campbell, of Pennsylvania; James G. Strong, of Kansas; J. Will Taylor, of Tennessee; E. Hart Fenn, of Connecticut; and Cyrus M. Palmer, of Pennsylvania.

**The Library.**—Robert Luce (chairman), of Massachusetts; John C. Allen, of Illinois; and Frederick M. Davenport, of New York.

**The Merchant Marine and Fisheries.**—Wallace H. White, jr. (chairman), of Maine; Frederick R. Lehlbach, of New Jersey; Arthur M. Free, of California; Charles Brand, of Ohio; Frank R. Reid, of Illinois; Charles L. Gifford, of Massachusetts; Harry E. Rowbottom, of Indiana; Frederick M. Davenport, of New York; Frederick W. Magrady, of Pennsylvania; Frank L. Bowman, of West Virginia; Robert H. Clancy, of Michigan; Louis Monast, of Rhode Island; Charles A. Kading, of Wisconsin; and Dan A. Sutherland, of Alaska.

**Military Affairs.**—John M. Morin (chairman), of Pennsylvania; W. Frank James, of Michigan; Harry C. Ransley, of Pennsylvania; Harry M. Wurzbach, of Texas; Louis A. Frothingham, of Massachusetts;

B. Carroll Reece, of Tennessee; John C. Speaks, of Ohio; J. Mayhew Wainwright, of New York; James P. Glynn, of Connecticut; Allen J. Furlow, of Minnesota; William R. Johnson, of Illinois; James A. Hughes, of West Virginia; Harold G. Hoffman, of New Jersey; and Victor S. K. Houston, of Hawaii.

**Mines and Mining.**—John M. Robsion (chairman), of Kentucky; William Williamson, of South Dakota; Don B. Colton, of Utah; Charles E. Winter, of Wyoming; W. H. Sproul, of Kansas; Joe J. Manlove, of Missouri; Samuel S. Arentz, of Nevada; Harry L. Englebright, of California; Charles L. Gifford, of Massachusetts; J. Russell Leech, of Pennsylvania; and Dan A. Sutherland, of Alaska.

**Naval Affairs.**—Thomas S. Butler (chairman), of Pennsylvania; Fred A. Britten, of Illinois; George P. Darrow, of Pennsylvania; Clark Burdick, of Rhode Island; A. Piatt Andrew, of Massachusetts; John F. Miller, of Washington; Roy O. Woodruff, of Michigan; Ralph E. Updike, sr., of Indiana; Fletcher Hale, of New Hampshire; W. E. Evans, of California; Charles Tatgenhorst, jr., Ohio; Charles A. Wolverton, of New Jersey; Clarence E. Hancock, of New York; and Victor S. K. Houston, of Hawaii.

**Patents.**—Albert H. Vestal (chairman), of Indiana; Randolph Perkins, of New Jersey; Clarence J. McLeod, of Michigan; Godfrey G. Goodwin, of Minnesota; Florian Lampert, of Wisconsin; F. D. Letts, of Iowa; Harry I. Englebright, of California; and Robert G. Bushong, of Pennsylvania.

**Pensions.**—Harold Knutson (chairman), of Minnesota; John M. Robsion, of Kentucky; William F. Kopp, of Iowa; Elmer O. Leatherwood, of Utah; Gale H. Stalker, of New York; Joe J. Manlove, of Missouri; Nicholas J. Sinnott, of Oregon; Wallace H. White, jr., of Maine; Hubert H. Peavey, of Wisconsin; Albert R. Hall, of Indiana; Richard J. Welch, of California; J. Howard Swick, of Pennsylvania; and J. Mitchell Chase, of Pennsylvania.

**Post Office and Post Roads.**—W. W. Griest (chairman), of Pennsylvania; C. William Ramseyer, of Iowa; Archie D. Sanders, of New York; Samuel A. Kendall, of Pennsylvania; Clyde Kelly, of Pennsylvania; Elliott W. Sproul, of Illinois; Laurence H. Watres, of Pennsylvania; Frank H. Foss, of Massachusetts; David Hogg, of Indiana; John T. Buckbee, of Illinois; I. H. Doutrich, of Pennsylvania; Frank P. Bohn, of Michigan; E. T. England, of West Virginia; and Victor S. K. Houston, of Hawaii.

**Printing.**—Edward M. Beers (chairman), of Pennsylvania; and Edgar R. Kiess, of Pennsylvania.

**Public Buildings and Grounds.**—Richard N. Elliott (chairman), of Indiana; J. Will Taylor, of Tennessee; Daniel A. Reed, of New York; William F. Kopp, of Iowa; Gale H. Stalker, of New York; Charles Brand, of Ohio; Clarence J. McLeod, of Michigan; Ed. M. Irwin, of Illinois; Frederick W. Dallinger, of Massachusetts; Henry L. Bowles, of Massachusetts; Frederick W. Magrady, of Pennsylvania; J. Howard Swick, of Pennsylvania; and Joe Crail, of California.

**The Public Lands.**—Nicholas J. Sinnott (chairman), of Oregon; Addison T. Smith, of Idaho; Don B. Colton, of Utah; Charles E. Winter, of Wyoming; Scott Leavitt, of Montana; Phil D. Swing, of California; Samuel S. Arentz, of Nevada; F. D. Letts, of Iowa; Joseph L. Hopper, of Michigan; Charles L. Gifford, of Massachusetts; Harry L. Englebright, of California; Robert G. Bushong, of Pennsylvania; Victor L. Berger, of Wisconsin; and Victor K. Houston, of Hawaii.

**Revision of the Laws.**—Roy G. Fitzgerald (chairman), of Ohio; Willis G. Sears, of Nebraska; Frank R. Reid, of Illinois; Frederick W. Dallinger, of Massachusetts; John M. Nelson, of Wisconsin; Charles A. Kading, of Wisconsin; J. Russell Leech, of Pennsylvania; and Robert G. Bushong, of Pennsylvania.

**Rivers and Harbors.**—S. Wallace Dempsey (chairman), of New York; Richard P. Freeman, of Connecticut; Nathan L. Strong, of Pennsylvania; James J. Connolly, of Pennsylvania; M. A. Michaelson, of Illinois; W. M. Morgan, of Ohio; William E. Hull, of Illinois; George N. Seger, of New Jersey; W. W. Chalmers, of Ohio; Albert E. Carter, of California; Grant M. Hudson, of Michigan; Robert G. Houston, of Delaware; and Henry F. Niedringhaus, of Missouri.

**Roads.**—Cassius C. Dowell (chairman), of Iowa; John M. Robsion, of Kentucky; Clarence MacGregor, of New York; Charles Brand, of Ohio; Joe J. Manlove, of Missouri; Don B. Colton, of Utah; W. H. Sproul, of Kansas; Henry L. Bowles, of Massachusetts; John M. Nelson, of Wisconsin; Robert H. Clancy, of Michigan; C. G. Selvig, of Minnesota; Thomas C. Cochran, of Pennsylvania; and Joe Crail, of California.

**Rules.**—Bertrand H. Snell (chairman), of New York; Theodore E. Burton, of Ohio; Thomas S. Williams, of Illinois; Fred S. Purnell, of Indiana; Earl C. Michener, of Michigan; Harry C. Ransley, of Pennsylvania; C. William Ramseyer, of Iowa; and Louis A. Frothingham, of Massachusetts.

**The Territories.**—Charles F. Curry (chairman), of California; Albert Johnson, of Washington; Cassius C. Dowell, of Iowa; Louis T. McFadden, of Pennsylvania; James G. Strong, of Kansas; Richard N. Elliott, of Indiana; Ernest W. Gibson, of Vermont; Ed. M. Irwin, of Illinois; Florian Lampert, of Wisconsin; Bird J. Vincent, of Michigan; Harry L. Englebright, of California; Louis Monast, of Rhode Island;

J. Russell Leech, of Pennsylvania; Dan A. Sutherland, of Alaska; and Victor S. K. Houston, of Hawaii.

**War Claims.**—James G. Strong (chairman), of Kansas; Charles E. Winter, of Wyoming; Joseph L. Hooper, of Michigan; James H. Sinclair, of North Dakota; Hubert H. Peavey, of Wisconsin; Louis T. McFadden, of Pennsylvania; Harold Knutson, of Minnesota; Edward M. Beers, of Pennsylvania; Florence P. Kahn, of California; Thomas A. Jenkins, of Ohio; Louis Monast, of Rhode Island; J. Mitchell Chase, of Pennsylvania; and Victor L. Berger, of Wisconsin.

**World War Veterans' Legislation.**—Royal C. Johnson (chairman), of South Dakota; Robert Luce, of Massachusetts; Randolph Perkins, of New Jersey; Roy G. Fitzgerald, of Ohio; Bird J. Vincent, of Michigan; Ernest W. Gibson, of Vermont; Ed. M. Irwin, of Illinois; Edith Nourse Rogers, of Massachusetts; Frederick R. Lehlback, of New Jersey; E. Hart Fern, of Connecticut; J. Howard Swick, of Pennsylvania; Joe Crall, of California; and J. Mitchell Chase, of Pennsylvania.

#### MINORITY COMMITTEE ASSIGNMENTS

**Accounts.**—Ralph Gilbert, of Kentucky; Clarence Cannon, of Missouri; Emanuel Celler, of New York; and Lindsay C. Warren, of North Carolina.

**Agriculture.**—James B. Aswell, of Louisiana; David H. Kincheloe, of Kentucky; Marvin Jones, of Texas; Fletcher B. Swank, of Oklahoma; Hampton P. Fulmer, of South Carolina; Thomas L. Rubey, of Missouri; Thomas A. Doyle, of Illinois; and John McSweeney, of Ohio.

**Appropriations.**—William W. Hastings, of Oklahoma; Fred M. Vinson of Kentucky; and John J. Casey, of Pennsylvania.

**Banking and Currency.**—Otis Wingo, of Arkansas; Henry B. Steagall, of Alabama; Charles H. Brand, of Georgia; William F. Stevenson, of South Carolina; Eugene Black, of Texas; T. Alan Goldsborough, of Maryland; Anning S. Prall, of New York; and Harry C. Canfield, of Indiana.

**Census.**—John E. Rankin, of Mississippi; Arthur H. Greenwood, of Indiana; Ralph F. Lozier, of Missouri; Meyer Jacobstein, of New York; Samuel Rutherford, of Georgia; Henry D. Moorman, of Kentucky; James M. Fitzpatrick, of New York; and Rene L. De Rouen, of Louisiana.

**Civil Service.**—Lamar Jeffers, of Alabama; Emanuel Celler, of New York; Clifton A. Woodrum, of Virginia; Gordon Browning, of Tennessee; Brooks Fletcher, of Ohio; William I. Sirovich, of New York; Oris S. Ware, of Kentucky; and Leslie J. Steele, of Georgia.

**Claims.**—John C. Box, of Texas; Alfred L. Bulwinkle, of North Carolina; Loring M. Black, jr., of New York; Emanuel Celler, of New York; Adolph J. Sabath, of Illinois; C. B. Hudspeth, of Texas; Leslie J. Steele, of Georgia; and Oris S. Ware, of Kentucky.

**Coinage, Weights, and Measures.**—B. G. Lowrey, of Mississippi; Edgar Howard, of Nebraska; Andrew L. Somers, of New York; John J. Douglass, of Massachusetts; Bolivar E. Kemp, of Louisiana; R. A. Green, of Florida; Vincent L. Palmisano, of Maryland; and O. J. Kvale, of Minnesota.

**Disposition of Useless Executive Papers.**—R. A. Green, of Florida.

**District of Columbia.**—Christopher D. Sullivan, of New York; Thomas L. Blanton, of Texas; Ralph Gilbert, of Kentucky; William C. Hammer, of North Carolina; Mary T. Norton, of New Jersey; Joseph Whitehead, of Virginia; William P. Cole, jr., of Maryland; and George H. Combs, jr., of Missouri.

**Education.**—B. G. Lowrey, of Mississippi; Loring M. Black, jr., of New York; John J. Douglass, of Massachusetts; Brooks Fletcher, of Ohio; Vincent L. Palmisano, of Maryland; Malcolm C. Tarver, of Georgia; Rene L. De Rouen, of Louisiana; and O. J. Kvale, of Minnesota.

**Election of President, Vice President, and Representatives in Congress.**—Lamar Jeffers, of Alabama; Ralph F. Lozier, of Missouri; Samuel Rutherford, of Georgia; John N. Norton, of Nebraska; and Patrick J. Carley, of New York.

**Elections No. 1.**—Edward E. Eslick, of Tennessee; William J. Sears, of Florida; and William S. O'Brien, of West Virginia.

**Elections No. 2.**—Gordon Browning, of Tennessee; T. Webber Wilson, of Mississippi; and John J. Douglass, of Massachusetts.

**Elections No. 3.**—Guinn Williams, of Texas; John H. Kerr, of North Carolina; and Heartsill Ragon, of Arkansas.

**Enrolled Bills.**—Thomas L. Blanton, of Texas; Mell G. Underwood, of Ohio; and Miles C. Allgood, of Alabama.

**Expenditures in the Executive Departments.**—Fritz G. Lanham, of Texas; William C. Hammer, of North Carolina; Allard H. Gasque, of South Carolina; Meyer Jacobstein, of New York; James B. Reed, of Arkansas; John J. Cochran, of Missouri; William S. O'Brien, of West Virginia; and James T. Igoe, of Illinois.

**Flood Control.**—Riley J. Wilson, of Louisiana; William J. Driver, of Arkansas; Luther A. Johnson, of Texas; William L. Nelson, of Missouri; W. M. Whittington, of Mississippi; E. E. Cox, of Georgia; J. Earl Major, of Illinois; and William V. Gregory, of Kentucky.

**Foreign Affairs.**—J. Charles Linthicum, of Maryland; Charles M. Stedman, of North Carolina; Tom Connally, of Texas; B. Walton Moore, of Virginia; Martin L. Davey, of Ohio; David J. O'Connell, of New York; Sam D. McReynolds, of Tennessee; and Sol Bloom, of New York.

**Immigration and Naturalization.**—Adolph J. Sabath, of Illinois; John C. Box, of Texas; Samuel Dickstein, of New York; Samuel Rutherford, of Georgia; John W. Moore, of Kentucky; Lindsay Warren, of North Carolina; John M. Evans, of Montana; and R. A. Green, of Florida.

**Indian Affairs.**—William J. Sears, of Florida; John M. Evans, of Montana; Edgar Howard, of Nebraska; Sam B. Hill, of Washington; John Morrow, of New Mexico; Thomas L. Blanton, of Texas; Everette B. Howard, of Oklahoma; and Wilburn Cartwright, of Oklahoma.

**Insular Affairs.**—Christopher D. Sullivan, of New York; Guinn Williams, of Texas; Frank Gardner, of Indiana; Heartsill Ragon, of Arkansas; T. Webber Wilson, of Mississippi; Adolph J. Sabath, of Illinois; Butler B. Hare, of South Carolina; and Ralph Gilbert, of Kentucky.

**Interstate and Foreign Commerce.**—Sam Rayburn, of Texas; George Huddleston, of Alabama; Clarence F. Lea, of California; Tilman B. Parks, of Arkansas; Robert Crosser, of Ohio; Ashton C. Shallenberger, of Nebraska; Parker Corning, of New York; Jacob L. Milligan, of Missouri; and George C. Peery, of Virginia.

**Invalid Pensions.**—Mell G. Underwood, of Ohio; Ralph F. Lozier, of Missouri; Arthur H. Greenwood, of Indiana; William L. Carrs, of Minnesota; Andrew L. Somers, of New York; James F. Fulbright, of Missouri; John N. Norton, of Nebraska; and James M. Fitzpatrick, of New York.

**Irrigation and Reclamation.**—C. B. Hudspeth, of Texas; William C. Lanford, of Georgia; James B. Reed, of Arkansas; Miles C. Allgood, of Alabama; Sam B. Hill, of Washington; John Morrow, of New Mexico; Lewis W. Douglas, of Arizona; and S. Harrison White, of Colorado.

**Judiciary.**—Hatton W. Summers, of Texas; Andrew J. Montague, of Virginia; John N. Tillman, of Arkansas; Fred H. Dominick, of South Carolina; Samuel C. Major, of Missouri; Royal H. Weller, of New York; William B. Bowling, of Alabama; Zebulon Weaver, of North Carolina; and Henry St. George Tucker, of Virginia.

**Labor.**—William P. Connery, jr., of Massachusetts; Meyer Jacobstein, of New York; William L. Carrs, of Minnesota; Mary T. Norton, of New Jersey; Everett Kent, of Pennsylvania; George H. Combs, jr., of Missouri; James T. Igoe, of Illinois; and Leslie J. Steele, of Georgia.

**Library.**—Ralph Gilbert, of Kentucky; and Alfred L. Bulwinkle, of North Carolina.

**Merchant Marine and Fisheries.**—Ewin L. Davis, of Tennessee; Schuyler Otis Bland, of Virginia; Clay Stone Briggs, of Texas; William W. Larsen, of Georgia; Tom D. McKeown, of Oklahoma; George W. Lindsay, of New York; Charles L. Abernethy, of North Carolina; and Oscar L. Auf der Heide, of New Jersey.

**Military Affairs.**—Percy E. Quin, of Mississippi; Hubert F. Fisher, of Tennessee; William C. Wright, of Georgia; Daniel E. Garrett, of Texas; John J. McSwain, of South Carolina; John J. Boylan, of New York; Lister Hill, of Alabama; and Virgil Chapman, of Kentucky.

**Mines and Mining.**—Arthur H. Greenwood, of Indiana; Mell G. Underwood, of Ohio; Joseph Whitehead, of Virginia; Andrew L. Somers, of New York; Butler B. Hare, of South Carolina; and Everett Kent, of Pennsylvania.

**Naval Affairs.**—Carl Vinson, of Georgia; James V. McClintic, of Oklahoma; Herbert J. Drane, of Florida; Patrick Henry Drewry, of Virginia; Morgan G. Sanders, of Texas; John F. Quayle, of New York; Stephen W. Gambrell, of Maryland; and Clyde Williams, of Missouri.

**Patents.**—Fritz G. Lanham, of Texas; William C. Hammer, of North Carolina; James B. Reed, of Arkansas; Mell G. Underwood, of Ohio; William C. Lanford, of Georgia; Jeff Busby, of Mississippi; Allard H. Gasque, of South Carolina; and William I. Sirovich, of New York.

**Pensions.**—William C. Hammer, of North Carolina; Allard H. Gasque, of South Carolina; Clarence Cannon, of Missouri; John W. Moore, of Kentucky; Frank Gardner, of Indiana; Henry D. Moorman, of Kentucky; Patrick J. Carley, of New York; and Tom A. Yon, of Florida.

**Post Office and Post Roads.**—Thomas M. Bell, of Georgia; James M. Mead, of New York; Milton A. Romjue, of Missouri; William W. Arnold, of Illinois; John H. Morehead, of Nebraska; J. Zach Spearing, of Louisiana; Frank Oliver, of New York; and Thomas S. McMillan, of South Carolina.

**Printing.**—William F. Stevenson, of South Carolina.

**Public Buildings and Grounds.**—Fritz G. Lanham, of Texas; Edward B. Almon, of Alabama; John H. Kerr, of North Carolina; Jeff Busby, of Mississippi; Clifton A. Woodrum, of Virginia; Edward E. Eslick, of Tennessee; Charles G. Edwards, of Georgia; and William W. Cohen, of New York.

**Public Lands.**—John M. Evans, of Montana; Sam B. Hill, of Washington; John Morrow, of New Mexico; Lewis W. Douglas, of Arizona; Tom A. Yon, of Florida; Jed Johnson, of Oklahoma; John N. Norton, of Nebraska; and S. Harrison White, of Colorado.

**Revision of the Laws.**—Alfred L. Bulwinkle, of North Carolina; Loring M. Black, jr., of New York; William P. Connery, jr., of Massachusetts; Samuel Dickstein, of New York; and Malcolm C. Tarver, of Georgia.

**Rivers and Harbors.**—Joseph J. Mansfield, of Texas; John McDuffie, of Alabama; John J. Kindred, of New York; Homer L. Lyon, of North Carolina; Joseph T. Deal, of Virginia; James O'Connor, of Louisiana; Stanley H. Kunz, of Illinois; and Charles A. Mooney, of Ohio.

*Roads.*—Edward B. Almon, of Alabama; William J. Sears, of Florida; C. B. Hudspeth, of Texas; Frank Gardner, of Indiana; Clarence Cannon, of Missouri; Bolivar E. Kemp, of Louisiana; Charles G. Edwards, of Georgia; and Lindsay Warren, of North Carolina.

*Rules.*—Edward W. Pou, of North Carolina; Finis J. Garrett, of Tennessee; William B. Bankhead, of Alabama; and John J. O'Connor, of New York.

*Territories.*—William C. Lankford, of Georgia; John E. Rankin, of Mississippi; Guinn Williams, of Texas; Brooks Fletcher, of Ohio; Heartsill Ragon, of Arkansas; Bolivar E. Kemp, of Louisiana; Everett Kent, of Pennsylvania; and Jed Johnson, of Oklahoma.

*War Claims.*—B. G. Lowrey, of Mississippi; Miles C. Allgood, of Alabama; Edward E. Eslick, of Tennessee; Butler B. Hare, of South Carolina; Joseph Whitehead, of Virginia; Clifton A. Woodrum, of Virginia; Paul J. Moore, of New Jersey; and William W. Cohen, of New York.

*World War Veterans' Legislation.*—Alfred L. Bulwinkle, of North Carolina; John E. Rankin, of Mississippi; Lamar Jeffers, of Alabama; Gordon Browning, of Tennessee; William P. Connery, Jr., of Massachusetts; Mary T. Norton, of New Jersey; Edgar Howard, of Nebraska; and James F. Fulbright, of Missouri.

ADDRESS OF HON. E. WALTON MOORE

Mr. CRISP. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein a very able and scholarly address delivered by Hon. R. WALTON MOORE, of Virginia, at the one hundred and fiftieth anniversary celebration of the Continental Congress meeting in York, Pa. The speech was made by the gentleman from Virginia [Mr. MOORE] on that occasion as one of the representatives of the House of Representatives.

The SPEAKER. Is there objection?

There was no objection.

Mr. CRISP. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of Hon. R. WALTON MOORE at York, Pa., on October 24, 1927:

CELEBRATION OF THE ONE HUNDRED AND FIFTIETH ANNIVERSARY OF THE SESSION OF THE CONTINENTAL CONGRESS AT YORK, PA.

Mr. MOORE of Virginia. Long before the Revolution, when there was no thought of independence, many Americans favored the Colonies setting up such a union as might enable them to act together in protecting their frontiers and fostering their development. As early as 1754, about the time the youthful George Washington in British uniform was fighting the French and Indians in the western Pennsylvania wilderness, there was a meeting at Albany of delegates from six of the Colonies to consider Indian troubles, and it was determined to apply to Parliament for authority to form a permanent council of colonial representatives, to be appointed by the Crown, for the purpose of enacting laws of general import, apportioning to the several Colonies their quotas of men and money for military defense; deciding what forts should be built and taking all measures essential for the common safety. But this attempt, which, if successful, might materially have changed the course of future events, proved a failure. Benjamin Franklin, who took part in the meeting, tersely commented that in America the thought was that there was "too much prerogative" in the plan, and in England it was thought to have "too much of the democratic." Later, John Marshall wrote that the plan was refused support in America because it was supposed to place undue power in the hands of the King, and in England because of the apprehension that the Colonial assemblies would be rendered still more formidable by being accustomed to cooperate with each other.

During the struggle for independence it was misgiving of another sort—fear of the sovereignty of the individual States being impaired—which prevented the creation of such a vigorous and effective union as would have saved untold delay and suffering.

The Continental Congress had its definite origin in Virginia action. Twenty years had passed since the gathering at Albany, and in the latter part of that period Parliament enacted statutes representing a new and unjust policy. Protest and repeal followed and then further offensive enactments. The Boston port bill was passed to go into force June 1, 1774. In the spring of that year, the house of burgesses was in session at Williamsburg, the Virginia capital, a town even less in size than York then was, but to be forever remembered as the scene of events which have profoundly affected the progress of the world. A few members of the House conferred upon the expediency of taking formal notice of the Boston situation and agreed to propose that the 1st of June be set aside as "a day of fasting, humiliation, and prayer to implore Heaven to avert from us the evils of civil war, to inspire us with firmness in support of our rights and turn the hearts of the King and Parliament to moderation and justice." The resolution was offered May 24, and adopted, but when it was brought to the attention of the royal governor his condemnation was so severe that he at once dissolved the house. Those mainly responsible for what was proposed afterwards served in the Continental Congress. They were Patrick Henry, Thomas Jefferson,

and the brothers, Richard Henry Lee and Francis Lightfoot Lee, both of whom served here at York. On May 27 they and their fellow members assembled in the public room of the Raleigh Tavern near the Capitol Building and agreed a statement more elaborate and emphatic than the resolution itself, advising that until the grievances of America should be redressed, the purchase and use of tea and other commodities subject to tax should be discontinued. But that was not all. The outstanding feature was the recommendation for "delegates from the several Colonies of British America to meet in general congress at such place annually as shall be thought most convenient, there to deliberate on those general measures which the united interests of America may from time to time require." This was the genesis of the Continental Congress.

Patrick Henry was not only an orator of unexampled power but a leader whose foresight and courage and ability to direct events put him in a class by himself. In a previous month of May, nine years before the assemblage at the Raleigh Tavern, he alone fully estimated the importance of contesting the stamp tax, the first step taken by Parliament in its adventure of taxing the Colonies. Here and there the tax met emphatic disapproval, but the voice of Henry sounded the clear call which met a quick response through all of the sparsely settled country stretching along the Atlantic from New Hampshire to South Carolina. Not yet 30 years old, he had been elected to fill a vacancy in the house of burgesses. When he reached Williamsburg he found opinion uncertain and no one willing to make an open issue. He found the house under the control of men of prominence and wealth who were averse to any act or word bearing any tinge of disloyalty. Not counting what might be the cost to himself, he drew and offered resolutions denouncing the tax as a violation of the principle which had been originally announced by Virginia at Jamestown in the very beginning, even in advance of its announcement in the English petition of right, the principle forbidding taxation without representation. You remember the dramatic story of the consternation of the older members at Henry's eloquence, who according to Jefferson, then a student at William and Mary College, who heard him, seemed "to speak as Homer wrote"; of how Peyton Randolph, the Attorney General, who was to be the first President of the Continental Congress, came out of the house after the resolutions had gone through by a majority of one, and as he passed Jefferson exclaimed, "By God! I would have given 500 guineas for a single vote." You remember how Henry in his speech warned the King of the fate of Caesar and Charles I and of his defiant attitude when he was met with the cry of treason. Soon the Colonial governor, writing to England, said that "in the course of the debates I have heard that very indecent language was used by Mr. Henry, a young lawyer who had not been above a month a member of the house, and who carried all the young members with him." One of those young members was George Washington, who as President of the United States was to testify his abiding confidence in the man whose leadership he that day followed by offering him great offices, among them the office of Secretary of State and the office of Chief Justice of the Supreme Court. It was the voice of Henry that rang out and was heard everywhere. The effect is thus recently summarized by a distinguished New England historian: "All contemporary observers agree as to the tremendous and almost instantaneous effect on the public of the resolutions published in the papers. . . . A very frenzy took possession of the colonists." After Henry's death a memorandum in his own handwriting was discovered on an envelope in which he had inclosed the original resolutions: "The alarm," he wrote, "spread throughout America with astonishing quickness and the ministerial party was overwhelmed. The great point of resistance to British America was universally established in the Colonies. This brought on the war which finally separated the two countries and gave independence to ours. Whether this will prove a blessing or a curse will depend upon the use our people make of the blessings which a gracious God has bestowed on us. If they are wise, they will be great and happy; if they are of a contrary character, they will be miserable. Righteousness alone can exalt them as a nation."

The recommendation of a permanent Continental Congress had the weight of the most populous and influential of the Colonies. The total population of the country was then some 3,000,000, of whom about half a million were in Virginia. Other Colonies fell into line, and thus an approach toward unity and concert of action was insured.

Each Colony determined for itself the number of its delegates, their length of service, and their compensation. There was not and under the conditions could hardly have been possible any definition of the powers of the Congress. The governmental organizations of the Colonies were different; they were different in their religious, social, and political beliefs, and they were troubled with controversies among themselves; the only means of communicating with each other were sailing vessels and horses and vehicles traveling wretched roads; their literature was mainly derived from the mother country. The newspapers were few and poor. They were of little consequence in comparison with the pamphleteers headed by Tom Paine, whose philippics had enormous effect, and never more so than when the Congress was sitting here. With

reference to the newspapers, that they sadly lacked in enterprise and eagerness is shown by a resolution of the Congress at York authorizing a committee, "to take the most speedy and effectual methods for getting a printing press erected in this town for the purpose of conveying to the public the intelligence that Congress may from time to time receive," which I believe was not accomplished. Such is the barest outline of conditions which made impossible a common basis on which the Congress might not only speak for all the colonists but act for all in exerting real powers of government.

When the delegates met in Philadelphia in September, 1774, it was under instructions which were diverse in substance and form, but in general simply looking to measures being considered which the Colonies might adopt for the purpose of checking the aggression of the ministers and agents of the Crown, without denying the duty and obligation of loyalty to the Crown. Of greater unity, Henry was the chief advocate. Before going to Philadelphia, the freeholders of his own county addressed him a public letter containing the words, perhaps dictated by himself, "United we stand, divided we fall," an expression then, so far as I know, employed for the first time. On the second day of the session, he declared, "I am not a Virginian but an American." He believed union necessary because he was hopeless of receiving justice from Great Britain. He said, "She will drive us to extremities; no accommodation will take place; hostilities will soon commence and a desperate and bloody touch it will be." Of Henry's attitude John Adams, long a great figure in the Congress and not by any means an overgenerous critic, said: "In the Congress of 1774, there was not one member, except Patrick Henry, who appeared to me sensible of the precipice, or rather the pinnacle, on which he stood, and had candor and courage enough to acknowledge it." A year later, when the thought of independence was still by no means general, Henry, in his rôle of pioneer and prophet, addressing the Virginia convention of 1775, said "There is no longer any room for hope \* \* \* An appeal to the God of Battles is all that is left us," and throwing aside any consideration of personal safety passionately exclaimed, "I know not what course others may take, but as for me, give me liberty or give me death." Looking back, it can be said of this marvelous man that he was never mistaken in his conception of American rights or in his predictions as to what the future held in store.

No historian has comprehensively dealt with the Continental Congress. The casual student who tries to give even a very general idea of what it was is disturbed by the very mass of data he is compelled to survey. There are the 25 large volumes in which the Journal is thus far printed; innumerable official documents pertaining to civil and military affairs, and official and private correspondence ranging in every direction. In the beginning it acted in subordination to the Crown and to the several Colonies. After independence was declared, it acted in subordination to the several States. It was not a factor in a dual system of government, for there was no such system. It was the servant of 13 governments, each claiming and exercising the powers of sovereignty. It could cooperate with each of the States, but it could not control or compel all or any of them. What it did was subject to their individual objection and this was even practically true of its conduct of the relations between the imperfect union which it symbolized and the nations of Europe. The character of the Congress is well described in the oft-quoted statement of Adams. Adams described it as "Not a legislative body nor a representative body, but only a diplomatic body." It was in the literal meaning of the word a parliament, a talking body, and it was under the same disadvantage which tended to discredit the Senate of the United States in the first six years of the latter's existence. Its sessions were secret. Wise action taken behind closed doors and eloquent speeches which nobody heard were wasted on a suspicious public. Its own realization of the need of some degree of central authority being devised was evidenced by the diligence with which, in the midst of its other labors, it toiled on the work consigned to it by the States of framing the Articles of Confederation in order to provide a more perfect Union. But the result of its work did not receive the sanction of all of the States until March, 1781. Under the circumstances it was the best expedient within reach, and even though it was hardly more than a rope of sand, it proved strong enough, and this is to the everlasting honor of the Congress, to hold the States together after the close of the Revolution, pending the establishment of the Union as it now is.

Notwithstanding its infirmities, the Congress was a necessary agency, performing a service beyond measure in value. In answer to all the criticism for delinquencies largely inherent in conditions and unavoidable, there is certainly this which is beyond denial: No assemblage at any time has ever more strongly and clearly, and with such lasting impression, set forth the fundamental rights to which individuals and political communities are entitled. I am thinking of the declaration of grievances, the address to the people of Great Britain, and the address to the King, adopted by the First Congress, which won the admiration of the most enlightened statesmen of England, who were outspoken in applauding the sagacity and courage of their kinsmen on this side of the Atlantic. And, of course, I am

thinking of that later declaration which will forever hold its rank among all the political utterances of our race.

Turn for a moment to the events which led up to the great transaction of July 4, 1776. Williamsburg is again the theater. It is again the month of May, of that year, and all about the little town is the beauty of the Virginia spring. The convention is in session, and the Virginia statesmen, with George Mason at the front and Henry exerting his powerful influence, frame a constitution, including what we have come to call the bill of rights, which gives Mason enduring fame, the first written constitution ever promulgated creating a complete system of government. And then there is passed a resolution instructing the Virginia Delegates in Congress to propose to that body to declare the United Colonies free and independent States, absolved from all allegiance to or dependence upon the Crown or Parliament of Great Britain. The flag immediately designated as "the Union flag of the American States" is unfurled from the capitol; there is a military parade; the resolutions are read to the soldiers; and that night the town is illuminated. And then soon came the Declaration of Independence, which is coupled with an announcement of the principles of human liberty, a restatement of American rights, and the principles of national liberty.

And this further of the memorable transactions of the Congress: Before independence was declared, but after open conflict had occurred and the sword had begun to write the record of the Revolution, there was one thing sufficient to overbalance all shortcomings and mistakes—the appointment of Washington as commander in chief of the American Army. The motion was made by Adams June 15, 1775, and when Washington stepped out of the room it was unanimously adopted, and the next day Washington came back and in a few simple words accepted the trust. We may wonder what would have been the end of the Revolution, and following the Revolution the destiny of the country, except for the Virginia planter, who will continue for all time the loftiest figure in the history of the Republic. It was Adams who also said the final word which intrusted to Thomas Jefferson the preparation of the Declaration of Independence. Richard Henry Lee had moved the resolution for the appointment of the committee and was then called away. Adams and Jefferson were members of the committee. Each suggested the other for the work of preparation, but Adams insisted that it should be done by a Virginian and that the fittest Virginian was Jefferson.

There was no more serious period than those months in which the Congress sat here. It had been forced away from Philadelphia. Ahead were years of difficulty and doubt. The fate of the Revolution was in a trembling and perilous balance. There could be no vision of the distant event at the other town of York where the British flag was to droop in despair. Behind was the gathering gloom which had become thick darkness, relieved only by the flashing of guns on the battle fields where the most extreme valor could not avoid defeat. No catalogue of the discouraging conditions can be attempted now. But there is one fact, the significance of which is not always completely had in mind. The menace was twofold. There were the armies of trained and seasoned troops sent from England, with such equipment as the patriots could not parallel. And, besides, there were numberless Americans loyal to the Crown and willing to oppose by every conceivable means the success of the patriotic cause. They organized regiments and companies; they refused assistance to their countrymen and they took every opportunity to furnish assistance to the invaders. After the Revolution Adams estimated that at least one-third of the entire population had been Tory. When he sent this estimate to Chief Justice McKean, of Pennsylvania, who had served in the Congress at York and elsewhere, McKean concurred, but expressed the opinion that the Tories included more than one-third of the wealthy and influential people.

Here at York the darkness began to lessen and the light appear. The notable victory at Saratoga was won, paving the way for the treaties which made France our ally. On the other hand, there were the bitter ordeal at Valley Forge and the effort to displace the Commander in Chief. The principals in the Conway cabal were selfish and unscrupulous wreckers, but it is easy to understand that far better men, who would cheerfully have given their lives for the success of the Revolution, blinded by the glamour with which by distorting the facts Gates was able to surround himself, were sincerely convinced that a change was demanded. They were not wholly familiar with how much Washington had gone to insure the victory; the inestimable value of his campaign in New Jersey and Pennsylvania; his direction or supervision of the campaign against Burgoyne; and the importance of his action in sending to the North the force of practiced riflemen under the command of his fellow Virginian, Col. Daniel Morgan, except for whom, and Arnold, the inefficient Gates would never have brought about the surrender of the British Army. That the evil scheme miscarried was due, as we all know, to Washington's quiet exposure of the duplicity of Gates and to the steadfast loyalty of Lafayette to his chief. Perhaps the building is not preserved where the banquet was held here in January, 1778, with the aim of consolidating opinion in favor of Washington's overthrow. But who can ever

forget how at the moment when the tide seemed to be running all one way against Washington, the young Frenchman rose from his seat at the table and rebuked the plotters by proposing a toast to the health of the Commander in Chief? No event in the annals of historic York is more worthy of the art of some great painter.

Coincident with the session here, there was not only what occurred at Saratoga and in France, but the light was breaking elsewhere.

Washington's fellow Virginian, who may be regarded as the progenitor of the American Navy, was showing that the Americans must be reckoned with on the sea as well as on the land. The delegates who were considering here on April 27, 1778, the means of suppressing disaffection could not know that on that very day the English newspapers began to notice with alarm the daring exploits of John Paul Jones on their coast, and how throughout the year they were to stress the peril in which he was placing their ports and commerce. Another of Washington's fellow Virginians, a gifted and daring soldier, was at the same time holding and defeating the British forces in the West, beyond the Alleghenies. The delegates who were considering here on June 24, 1778, the proper observance of the second anniversary of the Declaration of Independence could not know that on that very day George Rogers Clark was marching against the fort at Kaskaskia, Ill., and arranging the capture of other British strongholds in that region.

Some contemporary observers, whose opinion has since been echoed by many, ascribe the growing weakness of the Continental Congress, its loss of support and prestige, to the fact that it came to be composed of men of less ability than those who had formerly served. Alexander Hamilton, dwelling on this circumstance, in a letter to Washington, said, "Each State, in order to promote its own internal government and prosperity, has selected its best members to fill the offices within itself, and conduct its own affairs \* \* \*. This is a most pernicious mistake and must be corrected." But Hamilton himself, who was highly qualified for congressional service, thought he should remain with the Army. He obeyed what he regarded as the call of duty, like Washington, Henry, Jefferson, and many of their colleagues in the earlier sessions who could not escape entering other fields where their services were imperatively demanded. Hamilton's letter was dated February 13, 1778, and he might have moderated his expression could he have looked in on the delegates here engaged that very day from early morning into the late evening on matters of the utmost importance.

It is not true that the delegates who served here or subsequently were inadequate to the work. Consider the Virginia delegates at York. If they are not to be counted in the group to which Washington, Henry, and Jefferson belong, they at least belong to a second group, indicated in an address made by Mr. Hoar a long time ago when he was a Senator from Massachusetts. Speaking of Virginia, he said: "Notwithstanding the splendid constellation of burning and blazing names which she gave to the country during the period of the Revolution and in framing and inaugurating the Constitution, if by some miracle they had been gathered together in one room, we will say in the year 1777 or 1780, and had perished in one calamity, Virginia could have supplied their places and have maintained almost entirely the same preeminence." Before naming the Virginia delegates, let me suggest that you consult the journals to see the variety of the business dealt with at York, the regularity of the sessions, and the protracted hours employed in the work, however large or small the attendance. And little imagination is required to understand the inconveniences to which the members were subject. The accommodations must have been extremely meager. Even the food supply was anything but ample, as appears from a letter of Richard Henry Lee, who wrote that he lived mainly on a diet of wild pigeons and his health suffered. John Adams wrote: "When I asked leave of Congress to make a visit to my constituents it was my intention to decline the next election and return to my practice at the bar. \* \* \* All my emoluments as a Member of Congress for four years had not been sufficient to pay a laboring man upon my farm."

Who, then, at York were the delegates from my own State? None of them were inferior men. Forgotten by the historians are John Bannister, Thomas Adams, and John Harvie, but they all had gained distinction in the service of their State. The qualities of another, Joseph Jones, the Government of the United States has acclaimed by publishing his correspondence, which was largely with Washington, Madison, and Monroe, showing the power of his mind and his valuable contribution to the Revolutionary struggle and the formation of our institutions. The memory of the other three is enduring, and not simply because they were signers of the Declaration of Independence, whose author was their close associate and friend. One of them was Benjamin Harrison, the ancestor of two of our Presidents. When the delegates to the first Continental Congress were chosen, he had the distinction of being put in the list which included Washington and Henry. He was for years a Member of Congress and the honor fell to him as chairman of the Committee of the Whole to report the resolution appointing the committee to draft the Declaration of Independence and the instrument itself when ready for consideration. You know the story of Franklin remarking that if the delegates who signed the Declaration did not hang together, they would hang sepa-

ately. Harrison had something of Franklin's sense of humor. He was portly, and Mr. Gerry was slender and thin. Turning to the latter as they were signing, Harrison said, "When the hanging scene comes on, I shall have the advantage of you. It will be over with me in a minute, but you will be kicking in the air half an hour after I am gone." When a successor to Peyton Randolph, President of the Congress and Harrison's kinsman, was about to be chosen, and all eyes were turned on John Hancock, Harrison seized Hancock in his arms and placing him in the chair, said, "We will show Mother Britain how little we care for her by making a Massachusetts man our President whom she has excluded from amnesty by public proclamation." An evidence of how he was regarded by his own State is that three times he was elected its governor in what some one has called the Athenian days of Virginia.

The name of Lee is as inseparable from the history of Virginia as the name of Washington. Upon some of its most shining pages that name is written, and through the story of the Revolution it runs like a golden thread. So much has been written of Richard Henry Lee and so much of his correspondence remains that it is unnecessary to say more of him than that he was the finest orator of the Revolution, except Henry, and one of the greatest statesmen who sat in the Congress at York, of which at another time he was President. His brother, Francis Lightfoot Lee, who was with him here, was equal in intellectual force and unsparing diligence. Another brother, Henry Lee, with Franklin, was representing the country in Paris when John Adams was sent from here to cooperate with them in negotiating the treaties. In the years to come, when he was reviewing the events with which he had been connected, Adams wrote of the Lees. He lauded the merits of Richard Henry Lee as too well known to need recounting. "They need," he wrote, "no illustration by me." Francis Lightfoot Lee he described as "a man of great reading well understood, of sound judgment, and inflexible purpose in the cause of his country." Then in a more tender vein he refers to Arthur Lee as "a man of whom I can not think without emotion, a man too early in the service of his country to avoid a multiplicity of enemies; too honest, upright, faithful, and intrepid to be popular; too often obliged by his principles and interests to oppose Machiavellian intrigues to avoid the destiny he suffered. This man never had justice done him by his country in his lifetime, and I fear he never will have by posterity." Of the same family was the soldier and statesman, Light Horse Harry Lee. All of these Lees were born near Wakefield, at the Stratford house in Westmoreland, Washington's native county. In that Virginia home, I may be permitted to say, at a later time was born another, the son of Light Horse Harry Lee, the wonderful soldier and stainless gentleman who commanded the armies of the Southern Confederacy.

If I have seemed to stress unduly the importance of Virginia and Virginians in the Revolutionary era, such has not been my purpose. I have had no other thought than to recall some of the noble memories of the common devotion, sacrifices, and achievements of the people of the thirteen original States, who laid the foundation of our great Republic, which has the faith and hope of us all—a more perfect Union than was dreamed of by those gathered here in York 150 years ago, the most perfect Union which the genius of man has created.

#### HEROISM OF THE COAST GUARD

Mr. WARREN. Mr. Speaker, I ask unanimous consent to address the House for one minute.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WARREN. Mr. Speaker, on the first day we assembled here the press of the country carried on their front pages accounts of two of the greatest feats of rescue from shipwreck in the annals of the Coast Guard. Within a short distance of each other about the same time in my district, off the stormy coast of North Carolina, the Norwegian steamship *Cibao* and the Greek steamship *Paraguay* were destroyed, and the saving of their crews by the unparalleled heroism of the Coast Guard is described as one of the most remarkable achievements in the history of the service.

At a later date during the present session it is my purpose to address the House on the United States Coast Guard, the noblest service in the world. I shall endeavor at that time to point out the needs and aspirations of the service, and to show how this great organization, founded for the sake of humanity, has been so shamefully neglected by Congress. I hope that to-morrow morning every Member of the House will read what I am now inserting in the Record, and it will give them a greater appreciation of a work that has no press agents and where duty is the only word they know. [Applause.]

Mr. Speaker, I ask unanimous consent to insert in the Record letters of commendation of the work of the Coast Guard from the masters of these two foreign ships and a newspaper account of the rescues.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina.

There was no objection.

The matter referred to follows:

HATTERAS, N. C., December 5, 1927.

HON. LINDSAY C. WARREN,

Member of Congress, Washington, D. C.

DEAR SIR: I am herewith forwarding a copy of my letter of commendation to Coast Guard headquarters and hope that it will meet with your favorable approval in regards to the great heroic work performed by the officers in charge and crews of Cape Hatteras, Creeds Hill, Hatteras Inlet, and Ocracoke Coast Guard stations in rescuing the lives of 24 souls forming the crew of the stranded Norwegian steamship *Cibao*, wrecked on Hatteras Inlet Bar December 4, 1927, when we were in a very dangerous position.

I request further that anything that can be done for these men in way of comment from your Government can not be too strong for the great work they performed in this case.

Respectfully yours,

M. MYLANDER,

Master Norwegian Steamship *Cibao*.

HATTERAS, N. C., December 5, 1927.

COMMANDANT U. S. COAST GUARD,

Washington, D. C.

DEAR SIR: We, the officers of the Norwegian steamship *Cibao*, wrecked on Hatteras Inlet Bar December 4, 1927, during severe storm, wish to extend our most heartfelt appreciations of the noble and daring rescue performed by the officers in charge and crews of Ocracoke, Hatteras Inlet, Creeds Hill, and Cape Hatteras stations. This rescue was made under a very hazardous condition through one of the most dangerous surfs that any bunch of men could ever plan such a noble piece of work, and going through the ordeal without even a mishap to any man.

This is to be looked upon as a heroic deed that could be performed by none other except they be courageous, brave, and experienced members of such a noble service as the United States Coast Guard, of which these men boast of their membership.

We wish to state further that this rescue was not a mere matter of these men launching their boats and coming to our assistance and their work finished, then soon forgotten by all concerned. Not so! It is to be long remembered that we lay in a helpless condition in a bed of high-rolling breakers and strong current.

Knowing that our plight was a very sad one for a crew of a ship to be placed in, it never dawned on our minds that there was such a brave bunch of rescuers in our midst that could ever master such high breakers that enveloped our ship. But our sad hearts were soon made glad to see the brave men with their rescuing boats approaching. At once we knew that we were safe by the way they maneuvered, and the means established to make the rescue—which was performed by a life line from the ship to the rescuing boat. Being 24 men in our crew, each individual had to be dragged through the breakers by means of a line for the distance of about 100 yards. There being more than one trip to make to get the crew off, each trip was made with equal skill, until three hazardous trips were made, and every man safely on shore.

In our opinion these men are deserving the very highest recognition possible that can be afforded by your department, as they have well proven their ability in this case. It is our earnest desire that the Norwegian Government, of which we are subjects, give these men the recognition due them for saving the lives of 24 of our nationals.

Respectfully yours,

O. HANSEN.

M. MYLANDER, Master.

"S. S. PARAGUAY,"

*Piraeus (Greece).*

To the HEADQUARTERS U. S. COAST GUARD,

Washington, D. C.

GENTLEMEN: Please convey through your office on behalf of me as master of the wrecked ship, also on behalf of myself, officers, and the surviving crew, our gratitude and many thanks to Capt. W. H. Lewark and the guardsmen under his command of the Kill Devil Hill, also Kitty Hawk for the heroic deeds performed by them to save me, my officers, and my crew, and also for all the assistance given to us during our stay there.

It is my duty when I am returning to Greece not to fail to report to my authorities whatever was done to us in the predicament we were in.

Yours respectfully,

(Signed)

MASTER OF S. S. "PARAGUAY."

% ZIMMERMAN,  
15 Moore St., New York.

LXIX—32

[From the Independent, Elizabeth City, N. C., December 9, 1927]

COAST GUARDS LIVING UP TO OLD-TIME TRADITIONS—SURFMEN AT HATTERAS AND KILL DEVIL HILL ACQUIT THEMSELVES HEROICALLY, SAVING 48 LIVES FROM A RAGING SEA THIS WEEK

The day of the surfmen and the Coast Guard station is not done. We have heard it said that Coast Guard stations will soon be a thing of the past. The wireless telegraph, the radio compass stations along the coast that give ships their exact position, the better lighthouses, whistling buoys, and bells that scream and clang louder and louder with the rising seas to warn the shipmaster of danger, all these they said would some day make the maintenance of Coast Guard stations unnecessary. Some of the surfmen have believed it themselves.

Folks just say they know we don't have the wrecks we used to have, and at any rate they know there aren't as many lives lost. Visitors to the seashore in summer time, when the sun broils down on the sands, when the water is tepid and the breezes are balmy, observe the Coast Guards drowsing in the shade and wonder why the Government keeps them there. The summer-time visitors do not know the beaches in December, when folks who live in steam-heated houses and whose muscles are weak and flabby could not withstand the chilling blast, nor battle against the gale the surfman patrols against. They wouldn't accompany a Coast Guard on a patrol for \$500.

The stories we have read of surfmen of other days are not tradition. The day of the lonely Coast Guard on his bitter patrol of a storm-swept beach assailed by biting blasts of sand, drenched with rain, and dragging his way over weary miles is not a thing of the past. Nor are thrilling rescues of human life from lurking death in angry seas events that belong entirely to the obscure chronicles of other days.

Forty-eight foreign seamen, whose lives were snatched from the wrecks of their vessels on the Dare County coast on Sunday of this week, bear grateful witness to these facts. Thousands of miles from home they were, their luckless vessels breaking to pieces under them on the cruel reefs of a foreign land, they clung to their ships, despairing of help, and awaiting a terrible death.

Angry seas swept across the decks, their cries were drowned by the roar of wind and waves as the elements sang their death songs, the cold rain drenched them to the bone; the intense darkness hid the picture of complete despair on their faces.

And then there glimmered through the darkness, faintly at first, but not to be mistaken, the glare of a Coston light in the hands of a lonely man who was trudging along the coast. A surfman making his way with difficulty against the wind, and over the weary miles between the stations where boats and men and food and clothing are kept by the American Government to succor those who may be in distress.

The despairing watchers on the ship saw the signal and knew the Coast Guard had discovered their plight. A hundred men were along the darkened Carolina coast that night, their eyes strained seaward, facing death themselves that they might help others. Sons and grandsons of Coast Guards and native seamen who knew naught else but the calling of the sea.

SAVED 48 LIVES

And 24 men were rescued from the Greek tanker *Paraguay* near Kill Devil Hill, and 24 were saved from the Norwegian fruiter *Cibao* on the dangerous shoals at Hatteras by Coast Guards of the seventh district, who wrote an epic in the annals of the service, by effecting rescues that are conceded to be among the most heroic and thrilling deeds ever performed in the seventh district.

Old surfmen declare it one of the wildest seas and strongest winds in all their experience. The Greek tanker *Paraguay* sprung a leak on Friday. The men had manned the pumps until all were nearly exhausted. Water poured into stern and bow from the big leaks caused by the blows of the heavy seas. The ship was within 60 miles of Cape Henry; she might have made it. But the storm struck her. The waves broke across the vessel, tons and tons of water went into the hold and put out the fires, the power that was driving her was lost, down went the wireless telegraph that might have called for aid; dead went the engine that operated the lights that might have signaled for help. The lifeboats were swept from their davits.

The helpless ship drifted like a stray cork, the ripping of her seams sounded above the roar of the storm, she trembled like a leaf from the pounding of the sea. The men were working at the pumps. Four were swept overboard in the darkness, unknown to their comrades. And then the vessel struck bottom some 300 yards from shore, her bow high out of the water. Every man ran to the bow, where they huddled together in the darkness.

She was 2 miles north of Kill Devil Hill Station. Opposite the spot where the Wright Aviation Memorial is to be built. A surfman saw her, he notified the station. W. H. Lewark, boatswain's mate and officer in charge, mustered his men. He sent word down the line and moved his equipment up the beach, but no boat could put to sea in the storm.

Keeper Lewark and his men signaled to the men on the ship to make ready to catch a line. The surfmen on the beach planted their cannon.

A number four shotline was bent on and fired toward the vessel. It went unerring in its course across the rigging, and fell into the hands of the sailors.

#### THE FIRST LINE BROKE

The surfmen ashore bent on the whip block hawser and hauling tackle, one end of which was made fast on the beach. The sailors began to pull it toward them. Surely here was the gear that would take them all to safety. But it did not reach them. The shotline parted and the gear fell back in the sea.

Meanwhile Keeper Walter Etheridge, of Nags Head Station, and Keeper S. D. Guard, of Kitty Hawk, and their men arrived to help. A second line was shot across the bow of the vessel which had long since broken in two. With this line the sailors hauled in the tackle, and made it fast to their rigging.

One at a time the sailors were brought ashore without mishap, until all the 24 remaining men of the crew were saved. As fast as one was clear of the breeches buoy, it went back for another. One sailor came ashore carrying a pet rooster. All were pounded and drenched by the seas but none severely injured.

"I never saw a more grateful set of shipwrecked men," declares Commander Littlefield, who visited the station shortly after the rescue. "The captain declares he will carry a piece of the shotline that saved him away with him and treasure it as something sacred. He also says he will bring the rescue to the attention of the Greek Government on his return to Alexandria, believing that the surfmen of Kill Devil Hill will be given suitable recognition.

"It was a remarkable rescue, for not a man was lost," adds Commander Littlefield. "And it was performed under terrible conditions, if we would judge from the sea, which was extremely rough even 24 hours later."

Down below Cape Hatteras, the "graveyard of the sea," a rescue more dramatic, more risky, and thrilling and dangerous in every respect took place. Two miles out on the treacherous shoals near the inlet the *Cibao*, a Norwegian fruit steamer, was driven ashore by the gale. Twenty-four men, out in the raging ocean, despaired of help and were becoming resigned to a tragic end. The *Cibao* presented a problem more difficult than that of the *Paraguay*. It was impossible to fire a line from shore. No man could have lived through that surf, even though a breeches buoy could have been used.

#### A DANGEROUS PASSAGE

Any surfmen who attempted to make their way from Hatteras Inlet to the *Cibao* took their lives in their hands. No man could row against the seas. Only a power surfboat could make the trip. The pausing of the motor for a few seconds might have meant sudden death, for without power to hold it up in the wind the boat might have easily drifted out of the deeper water and onto a shoal where it would have capsized and every man have been swept overboard.

It was an heroic rescue. Charles O. Peel, of Hatteras Inlet; James H. Garrish, or Ocracoke; W. H. Barnett, of Creeds Hill; B. R. Ballance, of Cape Hatteras stations, all keepers, with a picked crew led the rescue. Taking a lifeboat in tow of a motor surfboat, they made the perilous trip out to sea. The sea was too rough to permit them to go alongside the *Cibao*. A wave would have caught the small boat and dashed it to bits against the side of the ship.

And so a rope was sent across the intervening water to the *Cibao*. One by one the men went over the side and made their way along the rope, each with a smaller rope around his own body, and as he came beside the surfboat the Coast Guards pulled him aboard. Three trips were made from shore to ship before the crew were rescued. "It was one of the greatest rescues I ever heard of," declared Commander Littlefield. "I don't believe you would find worse conditions anywhere under which to effect a rescue."

One Elizabeth City woman was fortunate enough to see the heroic work of the Coast Guards at Kill Devil Hill when the Greek tanker *Paraguay* came ashore Sunday. Mrs. Alice K. Grice, who was down on the beach for the week end, says:

"You would have been proud of the splendid way the Coast Guard handled their work. Captain Lewark, at Kill Devil Hill station, was assisted in the rescue work by Capt. Walter Etheridge, of Nags Head station, and his crew, and Captain Guard and Surfman Perry, of the Kitty Hawk Station. They had to use the breeches buoy, and it took 15 to 20 minutes to bring each man in through the water. The *Paraguay* was sailing from New York to Seville under the command of Captain Katulas. The ship broke in two when she struck the beach. The waves were breaking over it. I wouldn't have missed seeing the rescue for anything. I wish everyone who doesn't know of the work the Coast Guard does could have seen it. The whole picture was wonderful—the surf pounding the beach, whitecaps as far as you could see, and the wind blowing a hurricane, and real men working hard to save the lives of others. It was the most thrilling thing to see, and I wish it could be thrown on the screen."

#### WARREN EXPRESSES PLEASURE

Congressman LINDSAY C. WARREN got a real thrill on his arrival in Washington Monday morning when the United States Coast Guard office called him up to congratulate him on the splendid work done by his

home folks, the surfmen of the first congressional district. Mr. WARREN was so glad to hear the news of their splendid work that he sent a telegram of commendation to all three stations. All of the stations are in Mr. WARREN'S district, and all three crews are personal friends of the first district Congressman. Mr. WARREN considers the rescues two of the most conspicuous examples of heroism in the annals of the Coast Guard.

The fact that the unusual rescues were made at this time is of especial interest to Mr. WARREN by reason of the fact that he has been planning for several months to make a speech in Congress concerning the work of the Coast Guard. Mr. WARREN has been much displeased at the disregard shown an honorable and able service as a result of burdening it with the enforcement of the prohibition laws, and it is his idea to present the Coast Guard in a different light from that in which the service is held in some sections of the country.

Admiral F. C. Billard, commandant of the Coast Guard, on Monday dispatched the following wire to District Commander O. A. Littlefield at this city:

"I am much gratified to learn of the splendid work of Kill Devil Hill, Hatteras Inlet, and Ocracoke stations in the rescue made yesterday. Communicate immediately to the stations my congratulations and commendations."

#### WHERE WRECKS ARE WRECKS MUTILATED BODIES WASH ASHORE

Two bodies, supposedly of the seamen who had washed overboard, were found this week, one badly mutilated while the other was in better condition and bore a ring with the letters "A. M." engraved on it. The bodies were found near Oregon Inlet, and were so badly beaten by the surf that there is no means of positively identifying them.

The crew of the *Cibao* are standing by at Hatteras Inlet, according to last report. They were hopeful that the vessel might be salvaged, but she has been driven so far across the shoals that it is now doubtful that this can be accomplished. However, they will remain at Hatteras several days more, it is stated.

The wreck at Kitty Hawk took place just a half century after the wreck of the U. S. S. *Huron*, which landed 8 miles farther southward November 31, 1877, 2 miles north of Nags Head Station. Ninety-eight officers and men lost their lives in the wreck of the *Huron*.

At that time the Coast Guard stations were not active except from December 1 to some time during the spring months, and when the *Huron* stranded at 1 o'clock in the morning during a severe storm, all the surfmen were at their homes. No help came until early in the forenoon, and at that little could be done except to pull on land the bodies as they washed ashore. Only 48 lives were saved.

There were no funds to provide suitable equipment, and what the stations had at that time was inadequate and there was no means to drag it up the beach.

The tragedy of the *Huron*, which aroused the country to sense the neglect its seamen were subject to, was increased by the fact that the first superintendent of the Coast Guard, Lieut. John J. Guthrie, lost his life while attending the wreck.

#### THOSE WHO AIDED

The men of several stations of the Coast Guard of the Seventh District played a gallant part in the rescues of the seamen, and their work brought praise from Commandant F. C. Billard, who wired district headquarters at Elizabeth City of his commendation, and asked that the men at each station be commended. In the rescue work at Hatteras Inlet, the Hatteras Inlet Station, in charge of Boatswain Charles O. Peel, the son of a veteran surfman, was assisted by Ocracoke, Creeds Hill Station, and Cape Hatteras Station. Kill Devil Hill Station, in charge of W. H. Lewark, boatswain's mate (L), was assisted by the men of Nags Head and Kitty Hawk Stations. Dennis Twiford and Aubrey Harris, surfmen of Caffey's Inlet Station, residing at Kitty Hawk, who were on leave at the time, volunteered their services and worked all day Sunday with the men at Kill Devil Hill Station, rescuing the seamen from the Greek tanker.

The stations and crews taking part in these rescues are as follows:

Kitty Hawk: S. D. Guard, officer in charge, and Surfman W. C. Perry; Kill Devil Hill: W. H. Lewark, officer in charge, John Westcott, W. S. Dough, E. J. Baum, T. T. Tillett, M. L. Tillett, S. G. Austin, D. I. Dowdy; Nags Head Station: W. G. Etheridge, officer in charge, C. C. Jones, G. B. Midgett, S. G. Basnight, Ellis Midgett, Paul Midgett, Norman Etheridge, Robert Baum, John Farrow, C. H. Barnett, Ellsworth Midgett, Andrew Williams; Cape Hatteras: B. R. Ballance, officer in charge, T. Barnett, W. L. Barnett, Noah E. Price, Andrew Gray, L. D. Midgett, W. R. Midgett, G. H. Whedbee, Geo. Gaskins, John L. Barnett, B. M. Jennette, and C. F. Midgett; Creeds Hill: W. H. Barnett, officer in charge, F. W. Miller, J. T. Tolson, O. W. Austin, A. M. Austin, S. S. Fulcher, E. B. Ballance, C. W. Stowe, and S. A. Stowe; Hatteras Inlet: C. O. Peel, officer in charge, Willie Austin, Erskine Oden, Ernest Austin, John S. Austin, Charles Styron, Bennie S. Etheridge, and Roscoe Burrus; Ocracoke: J. H. Garrish, officer in charge, H. J. Williams, M. P. Guthrie, H. H. Howard, L. B. Williams, R. F. O'Neal, Homer Howard, S. Garrish, G. B. Gaskins, D. Willis, and T. B. Wahab.

## LEAVE OF ABSENCE

Mr. PEAVEY. Mr. Speaker, I ask unanimous consent for leave of absence for my colleague, the gentleman from Wisconsin [Mr. BECK], on account of the serious illness of Mrs. Beck.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

## PERMISSION TO ADDRESS THE HOUSE

Mr. HOWARD of Nebraska. Mr. Speaker, I ask unanimous consent, after the reading of the Journal on Thursday morning next, to speak to the House for 15 minutes.

Mr. GREEN of Iowa. Will the gentleman amend his request by asking this permission in case consideration of the revenue bill is finished?

Mr. HOWARD of Nebraska. All right; I will do that.

Mr. MADDEN. Mr. Speaker, reserving the right to object, I would like to know what the gentleman wants to talk about.

Mr. HOWARD of Nebraska. Oh, divers and sundry subjects, principally with reference to the bill I have introduced providing for a joint reunion of the survivors of the armies of the blue and the gray in Washington next year. [Applause.]

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

## THE REVENUE BILL

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent to speak for one moment in order to make an announcement.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GREEN of Iowa. Mr. Speaker, the legislative counsel of the House and Senate, together with the legislative counsel of the Treasury, has prepared a print of the new revenue bill and the present law which is available to all the Members, and which I think we will find very useful. I desire, Mr. Speaker, to submit another unanimous-consent request. The bill which we have presented is in different form, as Members have observed, with certain cross references and headings and sub-headings, and in case there is any amendment it is quite possible these cross references or headings or sub-headings may have to be changed, and to avoid the necessity of going back at the end of the bill, I ask unanimous consent, as stated in the request which I send to the Clerk's desk.

The SPEAKER. The gentleman from Iowa submits a request, which the Clerk will report.

The Clerk read as follows:

That when the House has completed its consideration of H. R. 1, the pending revenue bill, that the Clerk may be authorized—

(1) To make necessary changes in numbers and letters in all headings and subheadings and in any cross references thereto.

(2) To strike out cross references that have become erroneous or superfluous and insert cross references made necessary or convenient by reason of changes made by the House.

(3) Where amendments adopted to the bill do not conform in style, typography, and indentation to the style of the bill as printed, to make such corrections as may be necessary to produce such conformity.

Mr. CHALMERS. Mr. Speaker, reserving the right to object, I would like to ask the chairman a question, and couple with this question the statement that there is one feature of the bill in which I am very much interested. I have had no time in general debate, and I want to ask the chairman if he proposes to be liberal in the matter of time on the reading of the bill. I would like about 15 minutes, and I would like to know what will be the policy of the chairman in that regard.

Mr. GREEN of Iowa. The policy has always been to be very liberal in such matters and the policy will not be changed, but I can not say positively at this time, not knowing what the gentleman wants to talk about or the situation we are going to be in at that time. Of course, I am not able to make the gentleman a promise of 15 minutes, but I will do what I can.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 1) to reduce and equalize taxation, provide revenue, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 1, the revenue bill, with Mr. NEWTON in the chair.

The Clerk read the title of the bill.

Mr. GREEN of Iowa. Mr. Chairman, all time in general debate has expired.

The CHAIRMAN. The Clerk will read the bill by sections.

Mr. GARNER of Texas. Mr. Chairman, I am not going to object to reading the bill by sections. I am just as anxious to facilitate the passage of this bill as the gentleman from Iowa, and I am sure the gentleman will agree with the statement that I have cooperated with him. Except where there are differences and I want to offer amendments, I am going to contribute what I can toward expediting the passage of the bill. I do not know what the rule really would be, but I do want to suggest to the gentleman from Iowa that when we reach provisions of the bill where there is a serious effort made at a constructive or fundamental amendment that the gentleman give ample opportunity for us to suggest amendments to any paragraph of any one of the sections. With that statement, of course, I have no objection to reading the bill by sections.

Mr. GREEN of Iowa. I agree with the gentleman from Texas, Mr. Chairman, and I ask unanimous consent that in reading the bill the table of contents printed on pages 2 and the following may be omitted, as it is not necessary to read them.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that in the reading of the bill the table of contents on pages 2, 3, 4, 5, 6, and a portion of page 7 be dispensed with. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, the Chair has not put the other part of the request that the bill be read by sections.

The CHAIRMAN. That is not necessary.

Mr. LAGUARDIA. I think it is usual to read it by paragraphs.

The CHAIRMAN. The Chair understands that neither the gentleman from Texas [Mr. GARNER] nor the gentleman from Iowa [Mr. GREEN] have any objection to the bill being read by sections.

Mr. LAGUARDIA. But there are 433 other Members of the House.

The CHAIRMAN. The Chair is of the opinion that it ought to be read by sections. The Chair understands that that is a matter largely within the discretion of the Chair, subject, of course, to the will of the committee on appeal.

Mr. LAGUARDIA. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LAGUARDIA. Is it not necessary under the rule to read it by paragraphs?

The CHAIRMAN. The Chair does not so understand it.

Mr. GARRETT of Tennessee. Reserving the right to object, Mr. Chairman, I may be in error, but my impression is that it is very unusual indeed to include an index as a part of the law.

Mr. GREEN of Iowa. It is unusual.

Mr. GARRETT of Tennessee. Why is it done in this case?

Mr. GREEN of Iowa. It was done when the Judicial Code was enacted.

Mr. GARRETT of Tennessee. There was probably some necessity for it in that case.

Mr. GREEN of Iowa. It is very useful here in my judgment. Mr. GARRETT of Tennessee. Undoubtedly an index is useful; but the question is whether you want the index as a part of the law.

Mr. GARNER of Texas. That was what they did when they enacted the Code, and if they did it in the Code we can do it here. If it is beneficial why should it not be done?

Mr. GREEN of Iowa. Ordinarily the index goes to the back and this is at the beginning where the reader can see what is included.

Mr. GARNER of Texas. I asked the same question the other day, and I was informed that it was so done in the Judicial Code. I said if we can do it in the code we can do it here, and it is undoubtedly of value so that when a man picks up the law he can see what is in it without having to go to other law books that publish an index.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

The Clerk reading the bill read as follows:

## SEC. 12. SURTAX ON INDIVIDUALS

(a) RATES OF SURTAX.—There shall be levied, collected, and paid for each taxable year upon the net income of every individual a surtax as follows:

Upon a net income of \$10,000 there shall be no surtax; upon net incomes in excess of \$10,000 and not in excess of \$14,000, 1 per cent of such excess.

Forty dollars upon net incomes of \$14,000; and upon net incomes in excess of \$14,000 and not in excess of \$16,000, 2 per cent in addition of such excess.

Eighty dollars upon net incomes of \$16,000; and upon net incomes in excess of \$16,000 and not in excess of \$18,000, 3 per cent in addition of such excess.

One hundred and forty dollars upon net incomes of \$18,000; and upon net incomes in excess of \$18,000 and not in excess of \$20,000, 4 per cent in addition of such excess.

Two hundred and twenty dollars upon net incomes of \$20,000; and upon net incomes in excess of \$20,000 and not in excess of \$22,000, 5 per cent in addition of such excess.

Three hundred and twenty dollars upon net incomes of \$22,000; and upon net incomes in excess of \$22,000 and not in excess of \$24,000, 6 per cent in addition of such excess.

Four hundred and forty dollars upon net incomes of \$24,000; and upon net incomes in excess of \$24,000 and not in excess of \$28,000, 7 per cent in addition of such excess.

Seven hundred and twenty dollars upon net incomes of \$28,000; and upon net incomes in excess of \$28,000 and not in excess of \$32,000, 8 per cent in addition of such excess.

One thousand and forty dollars upon net incomes of \$32,000; and upon net incomes in excess of \$32,000 and not in excess of \$36,000, 9 per cent in addition of such excess.

One thousand four hundred dollars upon net incomes of \$36,000; and upon net incomes in excess of \$36,000 and not in excess of \$40,000, 10 per cent in addition of such excess.

One thousand eight hundred dollars upon net incomes of \$40,000; and upon net incomes in excess of \$40,000 and not in excess of \$44,000, 11 per cent in addition of such excess.

Two thousand two hundred and forty dollars upon net incomes of \$44,000; and upon net incomes in excess of \$44,000 and not in excess of \$48,000, 12 per cent in addition of such excess.

Two thousand seven hundred and twenty dollars upon net incomes of \$48,000; and upon net incomes in excess of \$48,000 and not in excess of \$52,000, 13 per cent in addition of such excess.

Three thousand two hundred and forty dollars upon net incomes of \$52,000; and upon net incomes in excess of \$52,000 and not in excess of \$56,000, 14 per cent in addition of such excess.

Three thousand eight hundred dollars upon net incomes of \$56,000; and upon net incomes in excess of \$56,000 and not in excess of \$60,000, 15 per cent in addition of such excess.

Four thousand four hundred dollars upon net incomes of \$60,000; and upon net incomes in excess of \$60,000 and not in excess of \$64,000, 16 per cent in addition of such excess.

Five thousand and forty dollars upon net incomes of \$64,000; and upon net incomes in excess of \$64,000 and not in excess of \$70,000, 17 per cent in addition of such excess.

Six thousand and sixty dollars upon net incomes of \$70,000; and upon net incomes in excess of \$70,000 and not in excess of \$80,000, 18 per cent in addition of such excess.

Seven thousand eight hundred and sixty dollars upon net incomes of \$80,000; and upon net incomes in excess of \$80,000 and not in excess of \$100,000, 19 per cent in addition of such excess.

Eleven thousand six hundred and sixty dollars upon net incomes of \$100,000; and upon net incomes in excess of \$100,000, in addition 20 per cent of such excess.

(b) Sale of mines and oil or gas wells: For limitation of surtax attributable to sale of mines and oil or gas wells, see section 102.

(c) Capital net gains and losses: For rate and computation of tax in lieu of normal and surtax in case of net incomes of not less than \$30,000, approximately, or in case of net incomes, excluding items of capital gain, capital loss, and capital deductions, of not less than \$30,000, approximately, see section 101.

(d) Evasion of surtaxes by incorporation: For tax on corporations which accumulate surplus to evade surtax on stockholders, see sections 104 and 105.

Mr. LAGUARDIA. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 12, line 12, after the word "excess," insert a new paragraph, as follows:

"And upon net income in excess of \$1,500,000, in addition to the tax hereinbefore provided, 30 per cent of said excess."

Mr. LAGUARDIA. Mr. Chairman and gentlemen, the original purpose of a progressive income tax as I understand it was not only to provide revenue, but to prevent the concentration of the wealth of the whole country in the hands of a few families. After the amendment to the act of 1924 reducing the surtax on the last bracket from 40 per cent to 20 per cent the real purpose of the income-tax feature of our law was destroyed by limiting the tax to 20 per cent and stopping at \$100,000, net income tax.

It has been pointed out in the course of general debate on this bill that a small percentage of taxpayers pay under this provision. That is being constantly used preparatory to a determined effort to abolish entirely our income-tax feature of the law.

Now, I submit that considering the previous income-tax laws we have had which went as high as 60 per cent at the top bracket, and 40 per cent in the 1924 act, that my amendment of 30 per cent on net income in excess of \$1,500,000 income is by no means far fetched, radical, or removed from the very purpose of an income-tax policy.

Why, gentlemen, it was said before the committee when we had the 1924 tax bill under consideration that the excess surtax prevented these very few men from investing. I say that if the future development of this country depends entirely on four or five men, we indeed have a sad future before us. The wealth of this country was built up before we had these multimillionaires, with million-dollar incomes, and unless the Congress does something to prevent the accumulation and centralization of wealth you will have all the wealth of the country in the hands of a few families within the next 75 years.

It is our duty to legislate not only for 1928 but for 1958 and 1978, and if we are lax in permitting the real purpose of a progressive income tax to be destroyed, the responsibility will be ours. If we put a tax of only 30 per cent on the amounts in excess of \$1,500,000 income, I submit that that is not an unfair burden of taxation. You have to guard very jealously our income-tax feature of the law. Indeed, as I said before, I believe that very soon there will be a determined effort made to abolish the whole income-tax system. I do not believe that will be possible as long as the genial gentleman from Iowa [Mr. GREEN] heads the committee, but I bespeak his help in this instance. I hope he will support my amendment, though in that perhaps I am hoping against hope. If the income tax means anything, we should at least catch something on incomes above \$1,500,000. I do not go as high as the 40 per cent feature of the 1924 law.

I do not go up to the 60 per cent, but only 30 per cent. That is only 10 per cent more on incomes in excess of \$1,500,000. I do not see how any Member can refuse to support this amendment if he believes in the income tax law. Of course, if a Member does not believe in the income tax law, and he wants to bring about a sales tax or a per capita tax, that is a different thing, and to him I can not make any appeal, because we differ on fundamentals; but if you are sincere in your belief in an income tax law, not only for the purpose of raising revenue but for the purpose of accomplishing its real intent, viz, to prevent the centralization of wealth, then I submit my amendment for your serious consideration, and I hope that the committee will vote with me.

Mr. GREEN of Iowa. Mr. Chairman, I am unable to support the amendment offered by the gentleman from New York [Mr. LAGUARDIA] and am compelled to ask that it be rejected by the committee. This amendment was not considered before the committee at all, or anything of its nature. We have not had any proposition of that kind up for consideration whatever. While at one time I voted for higher rates, the Congress through the other body, which I can not mention, refused to make any provision for doing away with tax-exempt securities, and produced an unfair situation by reason thereof. Under the circumstances I am compelled to oppose the amendment.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield? Mr. GREEN of Iowa. Yes.

Mr. LAGUARDIA. The gentleman does not plead surprise in a surtax of 30 per cent on incomes of \$1,500,000? There is nothing new involved in my amendment.

Mr. GREEN of Iowa. We have had that before. Of course it is a jump, it would not be properly graded in that way, and while the rates are not put in the provision in the bill, they are just the same as last year. The maximum surtax rate was 20 per cent.

Mr. LAGUARDIA. The gentleman does not want to say that my amendment involves anything so novel that the committee is taken by surprise.

Mr. GREEN of Iowa. The committee did not consider anything of that kind or any proposition like it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and, on a division (demanded by Mr. LAGUARDIA), there were—ayes 37, noes 62.

So the amendment was rejected.

The Clerk read as follows:

#### SEC. 13 TAX ON CORPORATIONS

(a) Rate of tax: There shall be levied, collected, and paid for each taxable year upon the net income of every corporation, a tax of 11½ per cent of the amount of the net income in excess of the credits against net income provided in section 26.

(b) Exempt corporations: For corporations exempt from tax, see section 103.

(c) Improper accumulation of surplus: For tax on corporations which accumulate surplus to evade surtax on stockholders, see sections 104 and 105.

Mr. GARNER of Texas. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 13, after line 6, insert:

"(b) Taxable income not more than \$15,000: If the amount of the net income in excess of the credits provided in section 26 is not more than \$15,000, then, in lieu of the rate prescribed in subsection (a), the rate shall be—

"(1) Five per cent if such amount is not more than \$7,000.

"(2) Seven per cent if such amount is more than \$7,000 and not more than \$12,000.

"(3) Nine per cent if such amount is not more than \$12,000 and not more than \$15,000."

Mr. GARNER of Texas. Mr. Chairman and gentlemen of the committee, I am offering an amendment which I believe will meet with the approval of 90 per cent of the membership of the House. I have talked with a great many Republicans and Democrats, and I have not been able to find a single one who does not think that the smaller corporations with earnings of from \$15,000 or \$20,000 a year down ought to get some relief in their tax for several reasons, and especially for the reason that in their business they are in competition with partnerships of similar capital and earnings. The Secretary of the Treasury in his testimony before the committee recommended that we adopt the policy of giving such corporations the alternative, where there were 10 stockholders or less, of making a return as a partnership or as a corporation. The committee gave that suggestion very extensive consideration, and if you will let your mind run along for a moment you will see that that plan is not workable, that a graduated tax will accomplish the same purpose in a better way than by permitting them the alternative method of making returns.

This amendment provides that where a corporation has an income of \$10,000 or less the rate of tax on it shall be 5 per cent instead of 11½ per cent; that where a corporation has \$15,000 of income or less, but over \$10,000, the tax shall be 7 per cent instead of 11½ per cent; and where a corporation has \$18,000 or less, but more than \$15,000, the rate shall be 9 per cent instead of 11½ per cent; and that where the income is over \$18,000 the 11½ per cent shall apply just as it does in this bill. Therefore, the only change that this amendment makes is to give to the smaller corporations an advantage in a rate over larger corporations, that is to say, with larger incomes. There is no new principle involved at all. It is the same principle exactly as is applied to individual incomes. I heard the gentleman from Illinois [Mr. CHANDLER] say the other day, that one corporation with a capital of \$100,000 might make only \$10,000, while another corporation with a capital of \$10,000 might make \$10,000 income, and that we would be treating both of them the same. So are you in this bill. The 11½ per cent applies. He says we ought to fix it on the valuation. We tried that on the excess profits, and we made a failure of it.

I say to you frankly if you place it on the valuation, the capital investment, the excess-profits tax is the prettiest piece of taxation possible. But it was a failure, could not be administered because you could not ascertain the value of the corporations. We have had some experience with trying to value the railroads for the past 12 years, and we have not completed the valuation yet. I do not know whether you want to give the small corporations a larger amount of relief than the larger corporations, but the small corporations constitute 70 per cent. This amendment affects 70 per cent of the corporations in the United States, as I recall it. Is that correct, Mr. Beaman? I do not recall the exact percentage. It is around 70 per cent of the corporations of this country which have an income of \$18,000 and less, so this amendment I propose will reduce the corporation tax lower than proposed by this bill on 70 per cent of the corporations of the country.

Mr. TILSON. Will the gentleman yield?

Mr. GARNER of Texas. Just a moment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GARNER of Texas. I ask for an additional five minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. TILSON. Will the gentleman yield?

Mr. GARNER of Texas. Certainly.

Mr. TILSON. Will the gentleman state what is the estimate of loss of revenue that would occur from the adoption of his amendment?

Mr. GARNER of Texas. I have that. The additional loss of revenue, according to the Treasury Department, will be \$24,000,000, so I am informed by Mr. McCoy.

Mr. LONGWORTH. Compared with this bill?

Mr. GARNER of Texas. Yes.

Mr. ALDRICH. Will the gentleman yield?

Mr. GARNER of Texas. I will.

Mr. ALDRICH. Has the gentleman figured the tax on a corporation of an income of \$14,900 over an income of over \$15,000?

Mr. GARNER of Texas. That provision is taken care of in another provision of this bill. They have no trouble about that, because we have a provision in this bill now that a corporation with an income of \$28,500 will not pay more than one with an income of \$25,000. Mr. Beaman will show it to you.

Mr. HUDSPETH. Will the gentleman yield for a question?

Mr. GARNER of Texas. Yes.

Mr. HUDSPETH. I do not know that I got the gentleman's amendment clear. Some other gentlemen seem to have the same idea I have. Does the gentleman's amendment apply to corporations with a capital stock of \$18,000—

Mr. GARNER of Texas. It does not have anything to do with the capital stock. I can not help the gentleman's inference—

Mr. HUDSPETH. I am for the gentleman's amendment.

Mr. GARNER of Texas. I have tried to explain it, and I will do it again; that where you have an income—whether you have a billion dollars of capital stock invested, or one dollar—the amendment which I propose will tax a corporation which has an income of \$18,000 and less, down to \$15,000, 9 per cent, and from \$15,000 to \$10,000, between that bracket, 7 per cent. Anything less than \$10,000 would pay 5 per cent. Now, I think that ought to be very plain. That is all it means.

I do not know whether you want to invoke the same rule of equity, the same rule of justice in reference to corporations you do in reference to individuals, give the little fellow a little the best of it. Take the man of \$10,000 and less of income, we do not levy any surtax on him at all. The highest tax is 5 per cent. If it is a just system and equitable in regard to individuals, if it has worked well, why not apply it to small corporations? I am going to listen for that answer with some interest. The principle is the same, it is not faulty in principle. It is a mere question of method. Now, the Treasury does not want this done; it does not want the surtax principle applied to incomes of individuals. I can understand that. I can understand how Mr. Mellon does not like this tax for two reasons. He does not like this principle applied to individuals. He does not want this principle extended to small corporations. All of his corporations are large, and, naturally, he is not for this particular piece of legislation.

Mr. LUCE. Will the gentleman yield?

Mr. GARNER of Texas. I will.

Mr. LUCE. Did not the Secretary come before the committee or send in a recommendation that small corporations should receive attention?

Mr. GARNER of Texas. Oh, yes.

Mr. LUCE. That is one of the five basic proposals in his statement.

Mr. GARNER of Texas. Giving them a privilege of making a report as a corporation or as a partnership.

Mr. LUCE. On that point will the gentleman inform the House whether his proposal takes into account in any way a competition between partnership and a small corporation, and does it go toward putting them on an equal footing?

Mr. GARNER of Texas. It has this advantage over the present law: Suppose a corporation is doing business across the street from a partnership. If both of them make \$10,000, both of them would pay 5 per cent under my provision. Under the present law it is 13½ per cent and 11½ per cent in this bill on the corporation, and 5 per cent on the partnership. Under my amendment any corporation having income of \$10,000 or less would pay 5 per cent. Any individual or partnership would pay about 4 per cent plus.

The partnership just across the street that has \$15,000 income would pay about 5¼ per cent under my amendment, if adopted; a corporation that has \$15,000 income or less but over \$10,000 would be taxed 7 per cent, but in the original bill it would pay 11½ per cent.

Mr. LUCE. Why not equalize them, put them on the same basis?

Mr. GARNER of Texas. You can not absolutely equalize a partnership and a corporation.

Mr. LUCE. Did not the Treasury Department recommend that?

Mr. GARNER of Texas. Oh, not by any means.

Mr. LUCE. It was the proposal I called to the attention of the committee years ago.

Mr. GARNER of Texas. If you try to work it out, you will find that it has no sense in it.

Mr. WILLIAM E. HULL. Mr. Chairman, will the gentleman yield?

Mr. GARNER of Texas. Yes.

Mr. WILLIAM E. HULL. If I have an investment of a thousand dollars in a corporation that makes \$5,000, and also have an investment of a thousand dollars that makes \$75,000, would it be fair to apply your amendment in that case?

Mr. GARNER of Texas. Well, I will say there is no man in the world who can draw a perfectly just tax law. I am trying to reach something that is a little better than the present bill.

Mr. WILLIAM E. HULL. But you are making a distinction between the two corporations. If I have \$1,000 invested in each why should I pay 11½ per cent on one and 5 per cent on the other?

Mr. GARNER of Texas. Well, 80 per cent of the stock of corporations is owned by men in the higher brackets.

Mr. CRISP. Mr. Chairman, will the gentleman yield there?

Mr. GARNER of Texas. Yes.

Mr. CRISP. I just want to suggest that the gentleman's proposition is more equitable than that of the Secretary of the Treasury, inasmuch as the Secretary's proposition applies only to a corporation with less than \$25,000 which has less than 10 stockholders.

Mr. GARNER of Texas. Yes.

Now, Mr. Chairman, I do not want to argue this matter further. I think it is perfectly clear. I do not know whether the committee wants to favor it or not.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. GARNER of Texas. This is the most important amendment that could be offered. It is fundamental.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. GARNER of Texas. Yes.

Mr. TILSON. The gentleman says he is trying to equalize the tax on corporations and partnerships. Where an individual in business makes as much as \$50,000 profit, while the corporation makes a million dollars profit, the corporation has only 11½ per cent to pay under this bill, but the individual conducting the same kind of business, perhaps, that the corporation is conducting begins to run up into the high brackets of the surtax and must pay a higher tax. If he happens to have a substantial income from other sources he is pushed much higher in the surtax brackets and must pay a very much higher rate of tax than does the corporation. What is fair about that?

Mr. GARNER of Texas. No. The gentleman is making a mistake. You have to run to \$100,000 before you get to the 11½ per cent. Read the bill. A man paying a tax on \$100,000 pays only 11½ per cent surtax.

Mr. TILSON. But even so the adding normal tax makes it 16½ per cent.

Mr. GARNER of Texas. Yes. That is on \$100,000. The gentleman said \$50,000 was away up yonder higher, which is a mistake.

Mr. TILSON. Is not \$68,000 the dividing figure?

Mr. GARNER of Texas. I believe so.

Mr. JACOBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. GARNER of Texas. Yes.

Mr. JACOBSTEIN. What was the objection to the gentleman's proposition in the committee?

Mr. TILSON. The gentleman from Illinois [Mr. CHINDBLOM] points out to me that \$48,000 is the dividing line.

Mr. GARNER of Texas. That means 11½ per cent.

Mr. TILSON. The surtax on \$48,000 is 12 per cent—

Mr. GARNER of Texas. If you add the normal and the surtax together. Look at the tax levies.

They attend to it. The bill says how much it will be. Pick up your bill and look at it. I know that the gentleman from Illinois [Mr. CHINDBLOM] can not read and can not understand it. [Laughter.] He is the man you are getting the information from.

Mr. CHINDBLOM. If you will give me a chance, I will read it to you.

Mr. GARNER of Texas. Oh, I know; but I can not yield now.

Mr. CHINDBLOM. All you have to do is to read it.

Mr. GARNER of Texas. If anyone will turn to the bill, on page 12 he will see that there is \$11,660 upon net incomes of \$100,000. How much per cent is that? Eleven and sixty-six one-hundredths per cent, if I know how to calculate. He did not know that.

Mr. CHINDBLOM. That is only the surtax.

Mr. GARNER of Texas. I said the surtax. That is all I mentioned.

Now, Doctor JACOBSTEIN, you asked me why the committee did not adopt it. I submitted it to the conference on the Ways and Means Committee. They believed a good deal in the value of the suggestion, but the Secretary of the Treasury did not believe in it; and, yielding to his judgment, the committee naturally did not adopt it. But I say, if you desire to give any consideration to the small corporation as compared with the large corporation, if you want partially to equalize the partnership and the corporation, this is a step in that direction. No harm is done, and no principle is violated. There is no innovation except as the application is made to individuals. If the little fellow pays a tax that he is less able to pay, the great corporation should not alone be allowed the privilege. That is all I desire to do in this amendment.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CHINDBLOM and Mr. LUCE rose.

The CHAIRMAN. The gentleman from Massachusetts is recognized.

Mr. LUCE. My justification for addressing myself to this amendment is that, at any rate in part, responsibility attaches to me for having started the controversy. I called attention to the subject three or four years ago when I offered an amendment that was thrown out on a point of order. The proposal of the gentleman from Texas [Mr. GARNER] will not best accomplish the purpose he has in mind and the purpose which the committee has in mind to achieve in any way.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Yes.

Mr. GREEN of Iowa. The gentleman is partly in error on that. It is true the gentleman tried to get the committee to adopt the amendment. Ever since I have been a member of the Ways and Means Committee I have been trying to get something done for the small corporation, but I wanted something done that was right, and this is not right.

Mr. LUCE. I do not desire to monopolize credit, but simply to point out that the particular form of change which the Secretary of the Treasury recommended to the committee was substantially that which originally I offered as an amendment and which was thrown out on a point of order. I thank the committee for the concession it has made by increasing the exemption for corporations, and I speak simply to justify myself in objecting to the amendment offered by the gentleman from Texas [Mr. GARNER] by reason of the fact that it does not in any way meet what should be the prime purpose of legislation of this sort, namely, to equalize the competition between partnerships and small corporations. His proposal has no logic in it. There is no principle in the way that he would apply the remedy. It is the wrong remedy, in my judgment, and I should hope that rather than adopt a wrong remedy we would at least accept the partial remedy that the committee has recommended.

Up to the time of the present proposal the lines crossed in this matter of competition at about \$25,000. Now, I understand it will be nearly \$50,000. Below the crossing point corporations are at a disadvantage in comparison with partnerships. Remedy should be provided for the reason that while a tax bill may not with any logic attempt to meet particular hardships it may well take into account the effect upon the general conditions of business. It would, I think, be universally admitted that the development of the corporation system of doing business in the last generation has been of great benefit to the community and that anything which discourages the chartering of small business enterprises is to be deprecated.

The present situation makes it unwise and imprudent for a small enterprise to take out a charter, because it will be penalized so heavily by the tax law. Inasmuch as we ought to encourage rather than discourage the incorporating of small businesses, I had hoped the committee would see fit to accept the advice of the Secretary in this particular. Possibly in the next revenue bill they may come to that point, but at present it strikes me we would more wisely accept the partial remedy proposed by the committee than embark upon the quite illogical and unscientific program suggested by the gentleman from Texas. [Applause.]

#### MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The committee informally rose; and the Speaker having resumed the chair, sundry messages in writing from the President of the United States were communicated to the House of Representatives by Mr. Latta, one of his secretaries.

The committee resumed its session.

## THE REVENUE BILL

Mr. CHINDBLOM. Mr. Chairman, this is the first gun fired upon the integrity of this bill. From now on my good friend, my genial friend from Texas [Mr. GARNER], will be making proposal after proposal by which eventually he hopes to reach the \$400,000,000 tax reduction he announced to the people this fall that he was going to give them. This is the beginning of it. This only adds an item of \$24,000,000 to our tax reduction. Instead of \$232,000,000 of surplus he is going to spend, including this item, \$256,000,000, and a little later on he is going to take up the tax on automobiles and add \$33,000,000 more, and so on all the way down the line.

His specious argument in favor of this thing is that he is doing something in the interest of the small corporations. I think I may say without violating the ethics of the procedure before the committee that the committee considered this matter. We discussed it very thoroughly, and the committee, of course, did not make this recommendation. It was the desire of the committee to do something in the interest of the small corporation. But I do not know why Members so generally seem to forget that after all a corporation is nothing but individuals. They talk about corporations as if the corporation was some entity outside of the people who own the stock of the corporation. They speak about a corporation on the one hand and a partnership on the other. A corporation is nothing but stockholders, and it is the individuals who compose the corporation who are, of course, concerned in the amount of taxation. Theoretically the tax is collected from the corporation but it is the individual stockholder who pays it, and the individual stockholder pays it whether he is in business as an individual or as a stockholder in a corporation.

The gentleman from Texas [Mr. GARNER] tells you he applies his 9 per cent rate upon a corporation having an income of \$12,000 and not more than \$15,000. As a matter of fact that corporation has an income of \$18,000, because he provides in the beginning of his amendment that—

If the amount of the net income is in excess of the credits provided in section 26—

is not more than so and so, and section 26 provides for the \$3,000 exemption to be given to corporations which have incomes of \$25,000 or less.

I did not like the proposal of the Treasury Department, because it involved an option. The provision was that a corporation might make its return as a partnership if it saw fit to do so. It left the privilege, the option, and the choice to the corporation to file as a partnership if that method happened to bring it a lesser tax, and I do not like that. I do not think that is good legislation. I do not think we ought to have options in the bill or in the law. I do not believe in the theory of granting options in the law to taxpayers to choose one method one year and then another method another year, as it happens to suit with reference to the amount of tax that might be collected for a particular year.

My attention has been called to partnerships which would like to file their returns as corporations. The members of stock exchanges are not permitted to operate as corporations; they must operate as partnerships, and they would like the privilege of filing their returns as corporations. If we permit the one thing, if we give the option or the choice to corporations on the one hand, of course, we should give it to partnerships on the other.

Now, my friend says that Mr. Mellon—and, of course, Mr. Mellon is always the target of his guns—does not like surtaxes, and still Mr. Mellon approved the present law which provides for the payment of surtaxes by individuals. The gentleman says Mr. Mellon does not care about small corporations, and still Mr. Mellon recommended that small corporations or the corporations with incomes of \$25,000 or less be allowed to file as partnerships.

Mr. COLLIER. Provided they had only 10 stockholders.

Mr. CHINDBLOM. Yes.

Mr. COLLIER. Which is the viciousness of the proposition.

Mr. CHINDBLOM. The small corporation with either a small income or a small list of stockholders, or both, I presume; but Mr. Mellon recommended that corporations with incomes of \$25,000 or less should have the privilege of filing as partnerships, and that would have created a loss in the Treasury of \$35,000,000, \$11,000,000 more than what the gentleman from Texas proposes.

The committee, after long consideration—and, I dare say, very thorough consideration—decided that the better way was to enlarge the exemption for these smaller corporations.

Mr. COLLIER. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. COLLIER. The gentleman does not mean to convey the impression to the House that it took the committee a long time to decide they were not going to give this exemption to the corporations only that had 10 stockholders or less?

Mr. CHINDBLOM. I do not remember how long the consideration was on the particular question of the 10 stockholders.

Mr. COLLIER. That was the gist of the whole thing.

Mr. CHINDBLOM. But in section 26 in this bill we have increased the exemption from \$2,000 to \$3,000 for corporations having an income of \$25,000 or less, and this makes an actual saving in money of taxes for each year for such corporations of \$115.

Mr. LINTHICUM. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. LINTHICUM. I want to ask the gentleman whether there was any limit as to the amount the corporation made, or was it only a limit as to the number of stockholders?

Mr. CHINDBLOM. There were two proposals in it. I thought we had made that clear. First, an income of \$25,000 or less, and secondly, stockholders of 10 or less; but you are not basing your tax here upon anything but the income of the corporation.

This subject of a graduated tax was discussed very thoroughly here when we repealed the excess-profits tax, and the big argument made then—and I think the large argument now even against the present law—is that the tax is not based upon the capitalization. A corporation with a capital of \$100,000 and an income of \$25,000 will be treated upon exactly the same basis, will pay exactly the same taxes under the graduated system proposed by the gentleman, as would a corporation with a capitalization of \$1,000,000 and an income of \$25,000. Of course, I will concede that that is an extension of the present flat rate law, but when you try to graduate the tax, when you try to make steps of it so as to make it dependent upon the amount of income by gradations, you are simply making more vicious the system which now exists, under which we pay no attention to the capitalization of the corporation but tax it only upon its income.

Mr. LUCE. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. LUCE. Will the gentleman tell the committee whether the Committee on Ways and Means gave any consideration to the original proposal in that particular, which was to the effect that the election to be taxed as partnerships might be made on the unanimous consent of all the stockholders with no specification of number, the idea being that only a small corporation could secure unanimous consent.

Mr. CHINDBLOM. I think we considered that in this way. I do not believe that proposal means anything, because if the management of a corporation can induce its stockholders to believe it is to their interest, that they are going to pay less taxes by filing as a partnership, of course, they will get the consent of the stockholders. So I do not think that makes a proper basis at all. They will consent if it is to their interest; they will consent if there is less tax. Personally, I do not think that would be a proper basis for the differentiation.

Now, Mr. Chairman, those of us who favor this legislation will have to determine right now whether we are going to begin to emasculate this bill.

This provision adds \$24,000,000 to the amount of reduction upon a system and upon a theory which does not come here with the recommendation either of the Committee on Ways and Means or of any of the administrative officers of the Government. It comes here upon the motion of a very distinguished gentleman, but I do not think he has thought it out quite sufficiently to give us any guaranty as to whether it is going to work out equitably and fairly to the corporations which are involved; but it does mean \$24,000,000 of reductions, and to that extent will emasculate the bill.

Mr. GREEN of Iowa and Mr. GIFFORD rose.

Mr. GREEN of Iowa. Mr. Chairman, I simply wanted to know if there was any gentleman on the other side who wanted to be heard, because, of course, we are entitled to close the discussion.

Mr. GARNER of Texas. The gentleman can move to close debate in five minutes and close it himself.

Mr. GREEN of Iowa. The trouble is I do not like to have both five minutes used on this side.

Mr. GIFFORD. Mr. Chairman, I do not know that the gentleman from Iowa ought to presume on which side I am in this controversy, and I do not believe, as the last speaker suggested, that there are to be many amendments offered to the bill. This tax bill is too difficult for most of us to offer amendments, but there are a few simple sections we all understand, and this is one of them.

The Treasury made a recommendation relating to certain small corporations that might profitably be changed into partnership form, and those who have had personal experience will know that many corporations are forced to the partnership method of doing business on account of the high rate of tax.

Certainly, most of us who have had any personal experience or interest in small corporations must realize that this 5, 7, 9 per cent provision will be of great benefit and encouragement to continue under the corporation plan, which has many advantages, especially in the diffusion of ownership.

The argument put forth by the gentleman from Illinois [Mr. HULL] is that if he has a share in a large corporation it ought to be treated like a small corporation. There is not much equity in the whole bill, so far as that goes, and equity can not be secured under such complicated situations; this is a practical situation.

You say you will lose much revenue by this provision; you do not know. Many who are doing business as small corporations will certainly depart from that method, and we will lose a great deal of revenue. Therefore it is pretty hard to estimate the loss.

Now, the real objections is that it is not desired to begin a graduated tax for corporations. The committee is not unanimous, and we acknowledge the principle involved. It should be applied to small corporations having a very limited number of stockholders, because of the difficulty of securing the consent of all stockholders for a change.

From a practical standpoint we may lose revenue if we do not press this amendment. Farmers who raise crops, doing business as small corporations—and I have one in my mind—would convey the property to individuals if the harvest promised large profits. Therefore I am speaking from the practical standpoint, for the Government as well as the small corporations forced to the partnership method, to save the large assessment of 11½ per cent. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, if there are no other speakers on the other side I will move to close debate in five minutes and occupy that five minutes myself.

Mr. GARNER of Texas. Go ahead.

Mr. GREEN of Iowa. Mr. Chairman, I move to close debate in five minutes on this amendment and all amendments thereto.

Mr. GARNER of Texas. That is on this one amendment?

Mr. GREEN of Iowa. Yes.

The motion was agreed to.

Mr. GREEN of Iowa. Mr. Chairman, I have been trying for years to get something done for the small corporations, but I want something logical, something that will not plague us in the future in regard to what ought to be done in other respects.

The committee did do something for the small corporations by raising the exemption \$1,000. I think I can say that my views on this subject have been known for a long time, having been expressed publicly on the floor and in the committee and elsewhere when I tried to have the exemption raised \$2,000; but that was not done.

We are presented now with this illogical and unjust method of remedying the differences between small and large corporations. So far as the justice of it is concerned, as soon as the corporation gets two or three dollars over the limit mentioned in the proposal the rate of taxation would rise 50 per cent. I do not think the committee wants any such graduation as that.

Mr. GIFFORD. That is the same principle that you apply to individuals.

Mr. GREEN of Iowa. It does not make any such difference as that. In this case we can not apply the principle of graduated tax to corporations because it applies the principle of a graduated tax twice.

Corporations are, as the gentleman from Illinois [Mr. CHINDBLOM] has just said, made up of individuals. We can not grade the tax twice. We can not stop right here. If we are going to apply the principle of graduated tax, we have got to go on up with it. There is no reason for stopping at \$15,000. I do not know upon what theory this proposition can be justified. It is not for the benefit of the small corporation alone, it is for the benefit as well of the large corporations; if the total amount of the net income for any particular year happens to go down to this sum it applies to the large corporation as well as to the small corporation. If you apply the system of graduated tax to corporations you have got to go on up with it. The proposition is illogical.

It is true, as the gentleman from Massachusetts has pointed out, that small corporations have not got the relief that they ought to have. But it is not my fault; I have been working for it ever since I have been in Congress to give them more relief, both in the committee and on the floor.

What we want is a logical method which can be used and will not plague us in the future.

Mr. HAWLEY. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. HAWLEY. This defines the small corporation as one having a small income. A million-dollar corporation might have at the end of the year a very small net profit. The proposal is not one affecting the small corporations as such, but rather affects all corporations whether large or small whose income in any year is \$25,000 or less.

Mr. GARNER of Texas. Under this bill they will pay 11½ per cent on it.

Mr. GREEN of Iowa. The gentleman from Oregon is correct. But as the gentleman from Illinois said, here is a proposition which increases the amount allowed by the bill by \$24,000,000. Where will we stop if we go on in that way? Before we get through we will have a bill such as the gentleman from Texas [Mr. GARNER] wants, of \$400,000,000 reduction.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. CHINDBLOM. The provisions of this act increases the exemption of corporations having \$25,000 income from \$2,000 to \$3,000, and it gives relief to corporations to the extent of \$12,000,000. The committee thought that was pretty fair.

Mr. GREEN of Iowa. Yes; and it amounts to a great deal more than it seems on the face of it.

Mr. GARNER of Texas. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. GARNER of Texas. The gentleman from Oregon [Mr. HAWLEY] observed, a moment ago, that if a corporation with a capital stock of \$1,000,000 should have a bad year and have only \$15,000 of income, it would have to pay 11½ per cent of this bill; that if we adopt this amendment it would get off with 7 per cent.

Mr. GREEN of Iowa. The gentleman from Oregon was correct about that, but I do not see the point of the gentleman from Texas. This is simply undertaking to apply a graded tax to corporations, which results in a double gradation of income, because the stockholders are subsequently taxed upon the dividends they receive from the corporation. Unfortunately this gradation has no logical basis, because it is not based upon the income of the stockholders.

Mr. HALE. Is the gentleman opposed to a greater tax on corporations under any circumstances?

Mr. GREEN of Iowa. In a general way I am, yes; because, as I have said, it results in a double gradation of tax and the double gradation is not worked out in accordance with the net income of each stockholder. It is worked out first on the corporation and then it is worked out on the net income of the individual. There is where it ought to be worked out, and it is the only proper place for gradation. I think the amendment should be voted down.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The question was taken.

Mr. GARNER of Texas. Mr. Chairman, I demand tellers.

Tellers were ordered, and Mr. GARNER of Texas and Mr. GREEN of Iowa were appointed to act as tellers.

The committee again divided, and the tellers announced the result.

The CHAIRMAN. On this vote the yeas are 136 and the nays 132.

Mr. GREEN of Iowa. Mr. Chairman, I do not understand the count. I had 129 originally, and I think 6 or 8 more went through after that.

The CHAIRMAN. The Chair will say that as he understood the gentleman he announced the count as it was given. There was some confusion, and there is a possibility of a misunderstanding.

Mr. BANKHEAD. Mr. Chairman, a point of order. Under the rules of the House this question was submitted to tellers, and the tellers have made the report, and the Chair has announced the result; and, therefore, the matter is concluded.

The CHAIRMAN. The result has been announced.

Mr. BANKHEAD. Then, Mr. Chairman, I demand the regular order.

The CHAIRMAN. The Chair announced the adoption of the amendment.

So the amendment was agreed to.

Mr. JACOBSTEIN. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. JACOBSTEIN of New York:

## AUTOMATIC REDUCTION ON ACCOUNT OF SURPLUS

Page 13, after line 6, insert:

"(b) Automatic reduction on account of surplus.

"(1) Proclamation of surplus. If at the beginning of any fiscal year of the Government the President finds that the ordinary receipts of the Government during the preceding fiscal year (plus back tax collections over refunds) exceed the expenditures during such year chargeable against such receipts, he shall determine the amount of such surplus, and if he finds that the entire amount of such surplus will not be needed for expenditure he shall so proclaim, and in such proclamation state the amount of such surplus which he finds will not be needed for expenditure, hereinafter called "excess surplus." In determining the amount needed for expenditure and the expenditures during the preceding fiscal year, the President shall take into account, in respect of reduction of the public debt, only such amounts as are by law required to be devoted to such purpose. No such proclamation shall be made unless the excess surplus is more than \$75,000,000.

"(2) Reduction of rate. When such proclamation has been made, then for each \$25,000,000 by which the excess surplus exceeds \$50,000,000 the fraction  $\frac{1}{4}$  shall be subtracted from the rate otherwise applicable, including the rate for the calendar year preceding the year in which the proclamation is made.

"(3) Limit of reduction. In no case shall this subsection be applied so as to make the corporation tax rate of tax less than the rate specified in subsection (a) minus the fraction  $\frac{3}{2}$ .

"(4) Year preceding year of proclamation. The benefits of the rate reduction provided in this subsection, in the case of the calendar year preceding the year in which the proclamation is made, shall be allowed to the corporation in a similar manner to, and subject to the same restrictions and limitations as, the 25 per cent allowance provided in Title XII of the revenue act of 1924.

Mr. JACOBSTEIN. Mr. Chairman, on Saturday I stated I would vote for the tax reduction but I elaborated upon an amendment which I promised to introduce to-day. The purpose of the amendment is simply this. It directs the Treasurer of the United States to apply a portion of the surplus to a further reduction of the tax, instead of using it all in the retirement of the public debt. That is all there is to the amendment. At the present time whenever there is a surplus beyond immediate financial needs of the Government the treasurer at his own discretion may and does use that fund to retire the public debt; and owing to the fact that there has been a variation in the amount of the surplus from year to year, to the extent of approximately \$2,000,000 in the last five years, I contend that the Congress of the United States should direct the Treasurer of the United States as to how part of that surplus shall be used.

I call the attention of my Democratic friends to one phase of my amendment which might disturb their minds unless explained. It does not give the Treasurer of the United States more power. It rather restricts his power. It restricts his power in that he can not use the surplus except by direction of the Congress of the United States. It is a limitation, rather than an expansion of the power of the Secretary of the Treasury.

Mr. JOHNSON of Texas. Heretofore he has been applying it to the debt without authority?

Mr. JACOBSTEIN. Not without authority but he has been using it in that way because we never have directed the Treasurer of the United States as to what he shall do with the surplus. If my amendment became part of the law, the Treasurer of the United States would then be compelled to use part of the surplus to a further reduction in the corporation tax rates.

Mr. BROWNING rose.

Mr. JACOBSTEIN. I shall yield to you in a moment. I want to address myself now to the Republicans who raised the objection to the amendment on Saturday that it would involve a refinancing operation. I admit that the passage of this amendment would involve a refinancing operation immediately after the first of the year, but that ought not to frighten any member of this House. Refinancing operations have become a well-established practice in the Treasury department. I maintain that the Congress of the United States ought to go on record now and establish the fiscal policy of telling the Treasurer of the United States what he shall do with at least part of the surplus when it rises beyond the needs of the Government to maintain the Government, after making allowance for the loss in revenues resulting from the tax reductions called for in this pending revenue bill.

As I said on Saturday, the reduction in the corporation income tax would benefit 3,000,000 stockholders in the United States, and more people would be affected, therefore, beneficially by this amendment than are now receiving benefits in this proposed bill under the individual income-tax provision of the bill. I

want you to look upon the corporation tax proposed in this bill as affecting no less than 3,000,000 people who are shareholders in corporations, whether they be large or small corporations.

The bugaboo about the administrative difficulties of this amendment, it seems to me, has no foundation. We are so familiar with refinancing operations in the Treasury of the United States that there is no particular criticism that justifiably can be made against my amendment. It establishes a perfectly sound principle, namely, that the Congress reserves to itself the right to determine what shall be done with the taxes which are collected from the people of the United States.

Mr. BROWNING. Will the gentleman yield?

Mr. JACOBSTEIN. Yes.

Mr. BROWNING. Does the gentleman think we could delegate authority to the Secretary of the Treasury to fix these schedules?

Mr. JACOBSTEIN. I do not delegate to the Secretary power to fix the rate. The rates are specifically set forth in my amendment. The Secretary has to carry out our orders. We direct the Treasury to reduce the corporation-tax rates, depending upon the size of the surplus. The Secretary will have less authority under my amendment than he has at the present moment. He has used \$2,000,000,000 of the surplus to reduce the public debt. Do you want him to retain that authority?

SEVERAL MEMBERS. Yes.

Mr. JACOBSTEIN. I can understand the position of a man who wants the Treasury to use the surplus to reduce the debt.

Mr. BLANTON. But everything he does will be automatically done and not in a discretionary way. Is not that true?

Mr. JACOBSTEIN. Yes. [Applause.]

The membership of this House and my own constituency know my sympathies are with the man or woman of small means. I have always labored and voted for tax relief and for liberal exemptions for the people of small income.

I will not be misunderstood, therefore, in advocating this additional relief for holders of corporation stocks. As a matter of fact, as I pointed out in my speech of Saturday last, the wide distribution of stock ownership is one of the remarkable economic developments in our country in the last two decades. In my home city—Rochester, N. Y.—there live 20,000 people who earn one or more shares of stock in a few of our largest corporations, like the Eastman Kodak Co. and the Rochester Gas & Electric Corporation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. Mr. Chairman, this is simply an amendment for providing that in prosperous years we shall not have any surplus in the Treasury. The amendment offered by the gentleman from Texas a short time ago—and declared carried by the Chair, although I do not think it was carried myself—was an amendment providing that if we should not have a very prosperous year there would not be a surplus but a deficit. This amendment offered by the gentleman from New York is to make certain that in prosperous years we shall not have any surplus.

Mr. JACOBSTEIN. Will the gentleman yield for a question?

Mr. GREEN of Iowa. In prosperous years is the time we ought to pay off the debt.

Mr. JACOBSTEIN. Why have a tax reduction at all; why not apply it all to a reduction of the public debt?

Mr. GREEN of Iowa. I do not think that needs any answer.

Mr. JACOBSTEIN. Is it your answer that you believe the retirement of the public debt gets votes next November? [Applause.]

Mr. GREEN of Iowa. I like to hear the gentleman applauded, but on this particular occasion, for some reason, there was only a little applause. We have allowed a certain sum in reduction of the debt. We have allowed what we thought would leave a working surplus in the Treasury if there is not too much appropriation for certain big items. That is the reason why we kept it this way. We do not propose to wipe the surplus off for the benefit of the corporations.

Mr. FREAR. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. FREAR. What has been the misfortune in the country in having \$2,000,000,000 stricken from the public debt that accumulated interest otherwise?

Mr. GREEN of Iowa. It has been a great benefit instead of a misfortune in that we were able to reduce the interest, and, in fact, if we had not done it we would not be able to make the reduction we are endeavoring to make to-day, because we reduced the amount of interest by reason of its application. Now, the converse of the proposition which the gentleman has stated on Saturday we thought ridiculous; namely, that if there is a shortage the corporations could be assessed. I see for

some reason or other he has not put in his amendment; he has not offered it. There is no proposition to assess corporations in the future.

Mr. JACOBSTEIN. That is taken care of. We have provided for a working surplus of \$75,000,000 before this amendment could be set in operation, so there could be no deficit.

Mr. GREEN of Iowa. I am astounded that the gentleman is willing to use \$75,000,000. The steel corporations and automobile corporations think they ought to have a far greater amount in cash to carry on their operations, and they are very much smaller than those of the Government. What we should do is, in prosperous times like we have now, when the corporations are making great sums, when we are having prosperous times, we should apply our surplus to a reduction of the public debt. [Applause.] I can hardly believe this amendment is going to receive enough support that I should proceed further.

Mr. LAGUARDIA. Mr. Chairman, I rise in opposition to the amendment offered by my colleague from New York. I am very sorry my learned and scholarly colleague lent himself to offer such an amendment. Now, I for one, am against a reduction of taxes and would apply all the surplus to a reduction of the public debt. My stand on the 1924 and 1926 bills speaks for itself. There is not a man in the United States to whom I would grant so much power as is given in the amendment of the gentleman from New York to the Secretary of the Treasury.

Mr. JACOBSTEIN. In what particular; what power?

Mr. LAGUARDIA. I will come to that. We have delegated power to a Tariff Commission to raise and lower tariffs. The gentleman would now give power to the Secretary of the Treasury to so fix a flexible tax on corporations and, as the gentleman himself says, which would affect 3,000,000 of stockholders, 3,000,000 of people. The only way to use surplus under existing law is to apply the money for the reduction of the public debt; it can not be used any other way. When we shall have no national debt, we will provide for its disposition; but I venture to say that Congress will never delegate that power to any head of an executive department. If the gentleman would give the power to the Secretary of the Treasury on his own power to say to the corporations, "Now, we are saving money this year, we are retrenching in all departments; I am going to let you cut a million, we will reduce your tax"; what a power he would be in the country.

Why, the Secretary of the Treasury would have more power than all of Congress. Imagine ticket jobbers, the manipulators in the stock market getting in on an intended reduction. I have never heard of anything so absurd. It shakes the very fundamentals of our form of government. As the gentleman knows, no doubt, Congress is the only power authorized to raise taxes, and it was purposely given to the legislative branch in order to have a check on the executive branch. The gentleman by his amendment would relinquish that and give it to the Secretary of the Treasury.

Mr. JACOBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. JACOBSTEIN. When the Secretary of the Treasury makes his recommendation as to how much revenue we shall raise he makes an estimate of what the reduction should be, and on that he raises the taxes. We are doing it to-day. Does not the Treasury of the United States exercise this wide latitude to-day as to how these amounts of the surplus may be used, if it does exist at the end of the fiscal year, this year, or next?

Mr. LAGUARDIA. But it is entirely within our power, within the power of Congress, to act on the recommendation as we see fit.

Mr. JACOBSTEIN. I explicitly tell him what he must do or not do with the surplus.

Mr. LAGUARDIA. There is nothing more dangerous to our form of government than to do just that.

Mr. JACOBSTEIN. Simply saying it is so does not make it so.

Mr. LAGUARDIA. I can not understand the gentleman's attitude and that of colleagues on his side, who are generally against centralization of power. You might as well abolish Congress entirely and have a commission form of government—Mr. Mellon, Mr. Hoover, and the president of the New York Stock Exchange. I have never heard anything like it. It will not accomplish what the gentleman seeks at all, but it will simply give that enormous power to one man in the executive branch of the Government.

Mr. JACOBSTEIN. Has it not been asserted here that he now has that power?

Mr. LAGUARDIA. Yes; and therefore the gentleman would seek to make it absolute, and say, "Go ahead."

Mr. JACOBSTEIN. I would restrict him as to the use of the surplus. That is all.

Mr. LAGUARDIA. The only way to reduce taxes is for Congress to do so, according to the Constitution.

Mr. JACOBSTEIN. You would get more reduction if my amendment were passed.

Mr. LAGUARDIA. I do not think so.

Mr. JACOBSTEIN. Why are you interested in tax reduction?

Mr. LAGUARDIA. How does the gentleman know I am interested in tax reduction; I am interested in the reduction of the public debt first.

Mr. JACOBSTEIN. You just said so.

Mr. LAGUARDIA. If the gentleman had heard my remarks on Saturday, he would know that I said the taxes should not be reduced more than \$100,000,000.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CHINDBLOM. Mr. Chairman, of course, every Member of the House must realize that this is a fundamental departure from anything we have ever had heretofore in our fiscal system. I just want to call attention to one phase of the proposed amendment.

The President is to determine a surplus. How is he to determine it? The gentleman has fixed the rule. He says that if the President "finds that the ordinary receipts of the Government during the preceding fiscal year exceed the expenditures during such year chargeable against such receipts," he shall proclaim the amount of such "excess surplus"; and he also says in "determining the amount needed for expenditures and for expenditures during the preceding fiscal year the President shall take into account, in respect to the public debt, only such amounts as are by law required to be devoted to such purposes." In other words, in order to determine whether there will be a surplus the President of the United States can do nothing but take the ordinary receipts and expenditures authorized against them and on that basis proclaim the existence of a surplus.

He is to have no discretion. If any emergency arises and he knows it is going to be necessary to have \$100,000,000 for some great purpose for which there is not yet any authorization of law, and he knows when Congress convenes either in regular or special session that he will have to ask for an appropriation for that emergency, he must not take that into account. He must simply automatically perform his duty; he must merely take the items for which the expenditures are provided by law, and then if there is a surplus he must devote it to the reduction of taxes on corporations.

Now, I think I have as much interest in the business operations and business concerns of the country as any other Member of this House. I have lived all my life in a large city, and my sympathies are there. But to give the Secretary of the Treasury and the President the authority to take the people's money and use it without any action on the part of Congress itself for the reduction of corporation taxes is beyond anything that ever occurred to me to propose.

It simply shows what dangers may arise if we adopt such proposals as this right here in the committee. The gentleman has never proposed this plan to the Committee on Ways and Means, and has never submitted it to the administration itself, and has never obtained the views, so far as I know, of anybody who is responsible in this administration; but he comes here and proposes to introduce this revolutionary measure right here on the floor of the House and take from the Congress the determination of what shall be done with the money derived from the people by taxes. I hope the committee—even in the flush of the recent victory by which were taken \$24,000,000 more out of the surplus—even in the face of that victory I hope the committee will not make a further mistake and delegate to some one else the power to use the surplus, if there is any. [Applause.]

Mr. GARRETT of Tennessee. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Tennessee moves to strike out the last word.

Mr. GARRETT of Tennessee. It seems to me, Mr. Chairman, there are two very vital objections to the amendment proposed by the gentleman from New York [Mr. JACOBSTEIN]. One is that it is, in a measure at least—I shall not stop to quarrel as to how much—a delegation of authority over revenue questions to the Secretary of the Treasury, and to that extent, however light it may be, or however great it may be, it is objectionable to my mind, because of the constitutional provision that revenue measures shall originate in the House of Representatives.

That is one reason why I could not give my support to the amendment offered by the gentleman from New York. There

is another objection, not so fundamental, perchance, but it is of striking force, and that is, it is proposed to give the benefit of the entire surplus simply to one class of taxpayers. In other words, it is proposed to take the surplus, built up from all sources, from your tariff, from your individual income taxes, from your surtax, from your corporation tax, from all sources of revenue, and apply it for the benefit of one particular class of taxpayers, namely, the stockholders in the corporations.

Mr. JACOBSTEIN. Will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. JACOBSTEIN. Did not the Democratic Party, as well as the Republican Party, go on record as favoring the creation of the Tariff Commission, which helps carry out the flexible provisions of the tariff law?

Mr. GARRETT of Tennessee. The Democratic Party go on record in favor of the flexible tariff provisions?

Mr. JACOBSTEIN. Did it not help in the establishment of the Tariff Commission which later was given that power?

Mr. GARRETT of Tennessee. The Democratic Party has never gone on record as favoring the flexible provisions of the tariff act.

Mr. JACOBSTEIN. Did they not help to set in operation the Tariff Commission which finally resulted in operating the flexible provisions of the tariff law?

Mr. GARRETT of Tennessee. I do not remember what the record shows about the Tariff Commission, but so far as the flexible tariff provisions of the tariff act are concerned, I regard them as wholly unconstitutional, and I am not going to follow that bad example now.

Mr. BLAND. Will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. BLAND. Was not the Tariff Commission established long before the question arose as to the flexibility of the tariff law?

Mr. GARRETT of Tennessee. It was.

Mr. CRISP. If the gentleman will yield, I am in perfect accord with him on this amendment, and the Democratic Members of the Ways and Means Committee voted against the flexible provisions of the tariff law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

#### SEC. 23. DEDUCTIONS FROM GROSS INCOME

In computing net income there shall be allowed as deductions:

(a) Expenses: All the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including a reasonable allowance for salaries or other compensation for personal services actually rendered; traveling expenses (including the entire amount expended for meals and lodging) while away from home in the pursuit of a trade or business; and rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, or property to which the taxpayer has not taken or is not taking title or in which he has no equity.

(b) Interest: All interest paid or accrued within the taxable year on indebtedness, except on indebtedness incurred or continued to purchase or carry obligations or securities (other than obligations of the United States issued after September 24, 1917, and originally subscribed for by the taxpayer) the interest upon which is wholly exempt from taxation under this title.

(c) Taxes generally: Taxes paid or accrued within the taxable year, except—

(1) Income, war-profits, and excess-profits taxes imposed by the authority of the United States;

(2) So much of the income, war-profits, and excess-profits taxes imposed by the authority of any foreign country or possession of the United States as is allowed as a credit against the tax under section 131; and

(3) Taxes assessed against local benefits of a kind tending to increase the value of the property assessed. For the purpose of this subsection, estate, inheritance, legacy, and succession taxes accrue on the due date thereof, except as otherwise provided by the law of the jurisdiction imposing such taxes, and shall be allowed as a deduction only to the estate.

(d) Taxes of shareholder paid by corporation: The deduction for taxes allowed by subsection (c) shall be allowed to a corporation in the case of taxes imposed upon a shareholder of the corporation upon his interest as shareholder which are paid by the corporation without reimbursement from the shareholder, but in such cases no deduction shall be allowed the shareholder for the amount of such taxes.

(e) Losses by individuals: In the case of an individual, losses sustained during the taxable year and not compensated for by insurance or otherwise—

(1) If incurred in trade or business; or

(2) If incurred in any transaction entered into for profit, though not connected with the trade or business; or

(3) Of property not connected with the trade or business, if the loss arises from fires, storms, shipwreck, or other casualty, or from theft.

(f) Losses by corporations: In the case of a corporation, losses sustained during the taxable year and not compensated for by insurance or otherwise.

(g) Basis for determining loss: The basis for determining the amount of deduction for losses sustained, to be allowed under subsection (e) or (f), shall be the same as is provided in section 113 for determining the gain or loss from the sale or other disposition of property.

(h) Loss on sale of stock or securities: For disallowance of loss deduction in the case of sales of stock or securities where within 30 days before or after the date of the sale the taxpayer has acquired substantially identical property, see section 119.

(i) Net losses: The special deduction for net losses of prior years, to the extent provided in section 117.

(j) Bad debts: Debts ascertained to be worthless and charged off within the taxable year (or, in the discretion of the commissioner, a reasonable addition to a reserve for bad debts); and when satisfied that a debt is recoverable only in part, the commissioner may allow such debt to be charged off in part.

(k) Depreciation: A reasonable allowance for the exhaustion, wear, and tear of property used in the trade or business, including a reasonable allowance for obsolescence. In the case of improved real estate held by one person for life with remainder to another person, the deduction provided for in this subsection shall be equitably apportioned between the life tenant and the remainderman under rules and regulations prescribed by the commissioner, with the approval of the Secretary.

(l) Depletion: In the case of mines, oil and gas wells, other natural deposits, and timber, a reasonable allowance for depletion and for depreciation of improvements, according to the peculiar conditions in each case; such reasonable allowance in all cases to be made under rules and regulations to be prescribed by the commissioner, with the approval of the Secretary. In the case of leases the deduction allowed by this subsection shall be equitably apportioned between the lessor and lessee. (For percentage depletion in case of oil and gas wells, see sec. 114(b) (3).)

(m) Basis for depreciation and depletion: The basis upon which depletion, exhaustion, wear and tear, and obsolescence are to be allowed in respect of any property shall be as provided in section 114.

(n) Charitable and other contributions: In the case of an individual, contributions or gifts made within the taxable year to or for the use of:

(1) the United States, any State, Territory, or any political subdivision thereof, or the District of Columbia, for exclusively public purposes;

(2) any corporation, or trust, or community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual;

(3) the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

(4) posts or organizations of war veterans, or auxiliary units or societies of any such posts or organizations, if such posts, organizations, units, or societies are organized in the United States or any of its possessions, and if no part of their net earnings inures to the benefit of any private shareholder or individual; or

(5) a fraternal society, order, or association, operating under the lodge system, but only if such contributions or gifts are to be used exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals; to an amount which in all the above cases combined does not exceed 15 per cent of the taxpayer's net income as computed without the benefit of the subsection. Such contributions or gifts shall be allowable as deductions only if verified under rules and regulations prescribed by the commissioner, with the approval of the Secretary. (For unlimited deduction if contributions and gifts exceed 90 per cent of the net income, see sec. 121.)

(o) Future expenses in case of casual sales of real property: In the case of a casual sale or other casual disposition of real property by an individual a reasonable allowance for future expense liabilities, incurred under the provisions of the contract under which such sale or other disposition was made, under such regulations as the commissioner, with the approval of the Secretary, may prescribe, including the giving of a bond, with such sureties and in such sum (not less than the estimated tax liability computed without the benefit of this subsection) as the commissioner may require, conditioned upon the payment (notwithstanding any statute of limitations) of the tax, computed

without the benefit of this subsection, in respect of any amounts allowed as a deduction under this subsection and not actually expended in carrying out the provisions of such contract.

(p) Dividends received by corporations: In the case of a corporation, the amount received as dividends—

(1) From a domestic corporation, or

(2) From any foreign corporation when it is shown to the satisfaction of the commissioner that more than 50 per cent of the gross income of such foreign corporation for the three-year period ending with the close of its taxable year preceding the declaration of such dividends (or for such part of such period as the foreign corporation has been in existence) was derived from sources within the United States as determined under section 120.

The deduction allowed by this subsection shall not be allowed in respect of dividends received from a corporation organized under the China trade act, 1922, or from a corporation which under section 251 is taxable only on its gross income from sources within the United States by reason of its receiving a large percentage of its gross income from sources within a possession of the United States.

(q) Cooperative apartments: Amounts paid by an individual taxpayer during the taxable year to a corporation which owns or leases an apartment building and operates it under the cooperative plan if—

(1) Such amounts are bona fide expended by the corporation in the same taxable year in payment of taxes allowable as deductions under subsection (c) of this section or in payment of interest on its bonds or on other indebtedness incurred by it in the acquisition, construction, or maintenance of such apartment building or in the acquisition of the land on which the building is located; and

(2) Such individual is the owner or lessee of an apartment in the building under a lease the term of which is 20 years or more, or under an agreement with the corporation, is entitled, by reason of stock ownership, to the use and occupancy of such apartment for a like period, and

(3) No part of the net earnings of the corporation inures to the benefit of any private shareholder or individual other than an owner or lessee of an apartment in such building or one entitled by reason of stock ownership to the use and occupancy of any such apartment.

Mr. McSWAIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from South Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McSWAIN: On page 26, after line 11, insert a new paragraph as follows:

“(r) Medical, surgical, hospital, or funeral expenses: The actual and necessary expenses paid by the head of a family for himself, or for any dependent member of the family, including only spouse or children, for medical, surgical, hospital, or funeral services not exceeding \$1,000 for any individual person in any separate tax year, all such payments to be allowed and deducted only at the usual and ordinary rates in such cases and the commissioner is empowered to judge as to the reasonableness of any such charges under the facts and circumstances of particular cases.”

Mr. McSWAIN. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes in order that I may explain this provision.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that he may be permitted to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Chairman, this is a serious effort to do what I respectfully submit is an absolutely just thing. There have been added to the deductions by the present bill three additional groups of deductions; three additional grounds have been added over and above those that exist under the present law. This proposition is to add just one more, and that is as simple and as plain, it seems to me, as can be; to wit, where a taxpayer, being the head of a family, is sick, or if his wife is sick, or one of his children is sick, or if any one of these should die, then the actual expenses of the hospital, of the surgeon, the physician, and of the undertaker shall be paid, not to exceed \$1,000 for any individual in any one tax year. This payment is to be made, not upon the basis of the capricious and excessive bill of a surgeon, or of a physician, or of an undertaker, but the proposal says, according to the ordinary and usual rates or charges prevailing for such services in the community where rendered, and the commissioner is given the absolute right and power to say whether or not the charges in any particular case are fair, reasonable, just, and according to the ordinary basis of value for such services.

The amendment which was offered by the distinguished gentleman from Texas [Mr. GARNER], which prevailed in this Committee of the Whole House, was assailed on the ground that it was illogical. Of course, what logic is is a very flexible and fluid term; but I shall submit to you that the amendment now proposed can not be assailed even on the ground of being illogical; it will not be assailed as being unjust; it will not be as-

sailed as being unfair, because during the consideration of the two preceding revenue bills, when I offered this same amendment, it was attacked only on the ground that it was not practicable and not workable.

On the 7th day of December, which was last Wednesday, I wrote a letter to the Secretary of the Treasury. I was satisfied he was not in favor of this deduction, because he is not in favor of the household exemption; he is not in favor of any exemptions; he is in favor of making the private soldier, and the humble citizen, the man who bears the brunt of battle in time of war, also start to pay taxes to Uncle Sam just as soon as he gets a revenue of \$1,000. So, Mr. Chairman, I did not ask the Secretary of the Treasury as to whether he thought this was a wise additional ground of deduction, a fourth one over and above the three new grounds already proposed by the committee, but I asked him this question: Is it workable? I asked him to please answer me on the very day the letter was written. The 8th came and no answer; the 9th came and no answer; the 10th came and no answer. Of course, there was none on the 11th, on Sunday, but to-day, December 12, about 30 minutes before this House convened, a letter, which is still moist from the press, but dated December 9, was placed in my hands by a special messenger.

The letter, which I ask permission to put in the Record as a part of my remarks, says and admits that this provision from a strictly administrative point of view will be reasonable and workable. Of course, he goes on and says that, in his opinion, it is unnecessary and undesirable to add one additional ground of deduction, but that it is no more impracticable, no more unworkable, and no more impossible or difficult of administration than the provisions which are already in the bill. In fact, gentlemen, I submit it is the most easily administered of any proposition in connection with the deductions. They talk about allowing deductions for depleted mineral resources, depleted oil, and depleted gas. How are you going to arrive at that except by the wildest sort of conjecture? Then, also, one of the additional grounds is damages by reason of the casual sales of real estate. What do we mean by that anyhow? Of course, it means, I assume, that when a man sells a piece of real estate and makes upon the basis of the transaction an apparent profit, he is to be allowed to deduct from that profit certain estimated damages as to bonds he may be required to take out to guarantee the title or a bond to indemnify himself against any damage he may sustain through the failure of the purchaser to comply with the contract or for damages he might sustain through the foreclosure of a purchase-money mortgage.

Mr. GREEN of Florida. Will the gentleman yield?

Mr. McSWAIN. Yes.

Mr. GREEN of Florida. How does the gentleman feel about amending this bill whereby if a taxpayer does not make a return the next year that then he will receive a refund of taxes which have been paid and which the investment has proven should not have been paid and on which he did not make a profit?

Mr. McSWAIN. I will ask the gentleman from Florida to excuse me from undertaking to answer that question, because I think it is a purely local question. That probably applies to Florida.

Mr. GREEN of Florida. Oh, no; it applies on mortgages throughout the country.

Mr. McSWAIN. I am discussing this matter from the point of view of justice. Now, the objection will be made, gentlemen, I am quite sure, that we have already provided a \$3,500 deduction for the head of a family, with \$400 additional for each child, and that therefore that is sufficient to take care of an operation upon the head of a family or the wife or one of the children, or to take care of hospital expenses and undertaking expenses. But I submit, gentlemen, that that \$3,500, plus \$400 for each child, making, for instance, \$4,300 in the case of two children, and so on, is what you might call “bread-and-butter” and “shoes-and-clothes” deductions, and it is little enough at that.

It will not take care of these emergency expenses. It will not take care of the surgeon's fee or the hospital fee or the undertaker's fee, and these are emergencies.

Now, the corporations engaged in business and those deriving their incomes from the business of corporations are taken care of by this bill, but the individual whose income is from \$4,000 up to, perhaps, \$25,000 or \$30,000, as the result of his own efforts, such as a lawyer or doctor or dentist or editorial writer or civil engineer or anyone engaged in a similar business, the man whose capital consists of his ability to work, such a man is not taken care of by this bill, and we are asking you gentlemen to vote into this bill something that will give a little lightening of the burden and the load of carrying on, on the

part of the professional man, whose income stops when he stops work.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. GREEN of Iowa. Mr. Chairman, as a rule I am not disposed to oppose the gentleman who last spoke, but the gentleman has said that nobody will contend that his amendment is not fair or just.

I contend it is neither fair nor just, and that it will not reach the people whom the gentleman wants to help. It will help more the multimillionaire than anyone else, because it will take off from the top of his income tax. The man who needs help in matters of this kind is the man who does not pay any tax at all, or pays very little tax. As it is now, no married man who has an income of \$5,000 pays very much tax. My recollection is there are only about 2,500,000 people who pay any income tax whatever at present.

The gentleman proposes to further increase the exemptions. We put these exemptions in the bill to take care of just such things. It is true, of course, that a proposition like the gentleman proposes can be worked out, but it is true also it will take a large number of Treasury employees to do it.

If we follow out the logic of the gentleman's argument, then the married people who do not pay any income tax whatever ought to be given a bonus by the Government. We have put up the exemptions in order to take care of just these things.

What reason is there with reference to the poor man—a man even with an income of \$5,000, who pays a little tax of, perhaps, \$5 or \$6—what reason is there to exempt his expenses for a doctor any more than we should exempt his expenses for clothing, for food, or anything of that kind?

Mr. McSWAIN. Will the gentleman yield?

Mr. GREEN of Iowa. Yes; I yield.

Mr. McSWAIN. For the reason that the expense of the doctor or of the hospital or of the funeral is an emergency, is unusual, whereas every day in the year and for every year in our lives we have to have something to eat and something to wear. One is an emergency and the other is the usual thing.

Mr. GREEN of Iowa. That does not answer the question at all. We have provided a large and a generous exemption, which the gentleman wants to enlarge by this privilege, which, I have said, will benefit the multimillionaire more than it will benefit anybody else. It will not at all reach the man the gentleman proposes to help, but will lessen the number of taxpayers and will materially affect the incomes of the extremely wealthy.

Of course, it is always a case of misfortune where a person is sick; but if we include such a misfortune, why not include all the other misfortunes that may cost him money? Why omit any of them? He may have something happen to him that would prevent his work which may not be in the nature of sickness but is equally a misfortune. We have these exemptions now higher than most people think they ought to be, so high that only a few of our people pay any tax whatever, so high that those who do pay the tax can afford in the years that come along to pay their surgeon's bills, whatever they may be; and this also takes care of the nurses as well as the surgeons or any expense of that nature.

Does the gentleman mean to contend that this will not require a great deal of administrative work? I say it can not be worked out fairly, because one surgeon will charge one amount and another surgeon will charge an entirely different amount, yet the gentleman thinks the Treasury will be able to work out some rate that will be uniform and equitable. I do not know how they will do it.

Mr. McSWAIN. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. McSWAIN. Is not the corporation or the business man, so far as his business is concerned, permitted under this law to deduct lawyer's fees in the expense of his business?

Mr. GREEN of Iowa. When we are determining how much his profits are, of course.

Mr. McSWAIN. And lawyers charge variable fees.

Mr. GREEN of Iowa. But that is a tax on profits, a tax on something the man makes.

Mr. McSWAIN. And this is the same thing, it seems to me.

Mr. GREEN of Iowa. For these reasons, Mr. Chairman, I say the amendment proposed by the gentleman ought to be voted down.

#### MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment the bill (H. R. 3190) authorizing the President

of the United States to present in the name of Congress a medal of honor to Col. Charles A. Lindbergh.

The committee resumed its session.

#### THE REVENUE BILL

Mr. CHINDBLOM. Mr. Chairman, I imagine there may be other proposals with reference to deductions and exemptions, and for that reason I am going to make a statement now so that gentleman making such motions may know what the effect will be upon the Treasury.

There are two and a half million taxpayers who pay individual income taxes. The average rate is 4 per cent. For each \$500 deduction or exemption that might be given those two and a half million taxpayers there would be a loss to the Treasury of \$50,000,000.

I want to emphasize what the gentleman from Iowa [Mr. GREEN] has said. You are not giving this deduction on the normal tax or on the lowest bracket. Every time you make a deduction, every time you give an exemption, you are reducing the tax at the very top, in the highest surtax bracket; and more than that, you are reducing the tax all the way down the line, because you are lowering the taxpayer from the highest brackets down.

You are not giving this benefit to the poor man. The man with an income of \$3,500, who is the head of a family, pays no income tax at all. You are giving this to people who have incomes of \$4,000 and more. They have an exemption of \$3,500 if they have no children. If they have children, they get another exemption of \$400 for each child. It is estimated that the head of a family may be figured together with at least two children, making a total of \$4,300 now exempt, and the purpose of these exemptions is to take care of the expenses of running a household.

Mr. DAVIS. I want to ask the gentleman if it is not a fact that the \$400 exemption only applies to children under 18 years of age and does not apply to children between 18 and 21 years of age?

Mr. CHINDBLOM. That is true, and I would be glad to discuss that. We discussed it in committee.

Mr. DAVIS. Does not the gentleman think it would be fair to increase the age from 18 to 21?

Mr. CHINDBLOM. No; and I will tell the gentleman why. It happens that we have two children that have just reached that age, and the exemption as to both has now been taken away. These children are attending a college or a university, and I do not think we ought to give special exemptions to people who are able to send their children to colleges or universities. It is a good thing to have an education, and I am glad to be able to give it to them, but I do not think that is any reason why I should have a special preference.

What about the man who sends his children to the high school and the grammar schools? We have taken care of him, and I think that is enough. Does the gentleman realize that there are only two and a half million people in the United States out of 114,000,000 who pay a single cent of income tax? Where are we coming to if we follow out this line of exemption? Is not anybody going to support the Government of the United States except the multimillionaires or men of tremendous income? Is not your responsibility and mine the same as Mr. Rockefeller's or Mr. Morgan's? Should not we contribute something to the expenses of the management of this Government of ours? How far are we going? The head of a family can now have an income of \$3,500 without paying any tax.

Mr. McSWAIN. In this bill there are three deductions for exemption reported.

Mr. CHINDBLOM. They apply to business operations and do not apply to the individuals; they apply to expenses and profits of people who are engaged in business.

Mr. McSWAIN. These deductions would apply to property. Mr. CHINDBLOM. By your amendment you are not aiding the people with a \$3,500 income.

The CHAIRMAN. The time of the gentleman from Illinois has expired. The question is on the amendment offered by the gentleman from South Carolina [Mr. McSWAIN].

The question was taken; and on a division (demanded by Mr. McSWAIN) there were 35 ayes and 84 noes.

So the amendment was rejected.

Mr. McSWAIN. Mr. Chairman, in connection with the extension of my remarks I desire to print the letter from the Secretary of the Treasury.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

The Clerk read as follows:

SEC. 25. CREDITS OF INDIVIDUAL AGAINST NET INCOME

There shall be allowed for the purpose of the normal tax, but not for the surtax, the following credits against the net income:

(a) Dividends: The amount received as dividends—

(1) From a domestic corporation, or  
(2) From a foreign corporation when it is shown to the satisfaction of the commissioner that more than 50 per cent of the gross income of such foreign corporation for the three-year period ending with the close of its taxable year preceding the declaration of such dividends (or for such part of such period as the corporation has been in existence) was derived from sources within the United States as determined under the provisions of section 120.

The credit allowed by this subsection shall not be allowed in respect of dividends received from a corporation organized under the China trade act, 1922, or from a corporation which, under section 251, is taxable only on its gross income from sources within the United States by reason of its receiving a large percentage of its gross income from sources within a possession of the United States.

(b) Interest on United States obligations: The amount received as interest upon obligations of the United States which is included in gross income under section 22.

(c) Personal exemption: In the case of a single person, a personal exemption of \$1,500; or in the case of the head of a family or a married person living with husband or wife, a personal exemption of \$3,500. A husband and wife living together shall receive but one personal exemption. The amount of such personal exemption shall be \$3,500. If such husband and wife make separate returns, the personal exemption may be taken by either or divided between them.

(d) Credit for dependents—\$400 for each person (other than husband or wife) dependent upon and receiving his chief support from the taxpayer if such dependent person is under 18 years of age or is incapable of self-support because mentally or physically defective.

(e) Change of status—

(1) The credit for dependents shall be determined by the status of the taxpayer on the last day of his taxable year.

(2) The personal exemption allowed by subsection (c) of this section shall, in case the status of the taxpayer changes during his taxable year, be the sum of an amount which bears the same ratio to \$1,500 as the number of months during which the taxpayer was single bears to 12 months, plus an amount which bears the same ratio to \$3,500 as the number of months during which the taxpayer was a married person living with husband or wife or was the head of a family bears to 12 months. For the purposes of this paragraph a fractional part of a month shall be disregarded unless it amounts to more than half a month, in which case it shall be considered as a month.

(3) In the case of an individual who dies during the taxable year, the personal exemption and the credit for dependents shall be determined by his status at the time of his death, and in such case full credits shall be allowed to the surviving spouse, if any, according to his or her status at the close of the taxable year.

Mr. HUDSPETH. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Line 24, page 28, after the word "of," strike out the figures "1,500" and insert in lieu thereof "2,000."

Also, in line 1, page 29, after the word "of," strike out the figures "3,500" and insert in lieu thereof "\$5,000."

Mr. HOWARD of Oklahoma. Mr. Chairman, I want to offer an amendment to the amendment raising the exemption of single people to \$3000. When will that be in order?

The CHAIRMAN. The gentleman's amendment will be in order now if he will prepare it.

Mr. ABERNETHY. Mr. Chairman, the lady from New Jersey has an amendment on the desk.

The CHAIRMAN. The Chair can only recognize one at a time. The gentleman from Texas is recognized on his amendment.

Mr. HUDSPETH. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HUDSPETH. Mr. Chairman and gentlemen of the committee, this amendment which I offer seeks to make the exemption for the head of a family \$5,000 instead of \$3,500, and for a single person \$2,000 instead of \$1,500. My distinguished friend from Oklahoma [Mr. HOWARD] will offer an amendment increasing the exemption for a single person from \$1,500, as carried in the bill and in the present law, to \$3,000. It occurs to me that if we are going to hand back to corporations, as my friend from Illinois [Mr. CHINDBLOM] stated here on Saturday, \$178,000,000 out of \$532,000,000, that certainly we can afford to make the exemption to the head of a family more than \$3,500.

Mr. CHINDBLOM. I did not say five hundred and thirty-two; I said two hundred and thirty-two.

Mr. HUDSPETH. The gentleman said that \$178,000,000 of this total of \$232,000,000 was going back to corporations.

Mr. CHINDBLOM. Yes; out of two hundred and thirty-two.

Mr. HUDSPETH. I thank the gentleman for the correction. I simply intended to state the total as \$232,000,000. Just a slip of the tongue. The distinguished gentleman from Illinois [Mr. CHINDBLOM] stated here that he represented a great city, the city of Chicago, that he represented great business interests, and was proud of that fact; that he was born in the city of Chicago; that he represented a great business district in that windy city. I have read the gentleman's rather effusive and comprehensive biography in the Congressional Directory, and he represents ward 41, and several other wards of plutocratic coloring. I have been in the gentleman's district, and I have heard it called the aristocratic and "silk-stocking" district of Chicago; but doubtless there are many people of moderate means in that district. Whether its Representative knows they are there, I do not know. I know that once when I took a train of cattle there and I attempted to eat in one of the restaurants somewhere close to Devon Street in his district, without a coat on, the restaurant proprietor said I would have to put on a coat. Well, I did not possess that article of masculine wearing apparel, so I went back to my caboose and got my "slicker" or rain-coat, entered, but was told I must have either a tuxedo or evening dress, so I went to a less aristocratic portion of the city and got my victuals. [Laughter.]

Mr. CHINDBLOM. Where was that?

Mr. HUDSPETH. That was in the gentleman's district, as I recall, now on or near or right north of Devon Street. Now, the gentleman said on Saturday he was unalterably opposed to the present exemption of \$3,500 to heads of families—even if it was necessary to educate children. He gave strong evidence that he was inclined to favor reducing the present exemption to heads of families and single persons. Now, I observe from this same biographical sketch that the gentleman is a thorough college graduate and he should know the cost of educating children. Oh, there is no question but that the gentleman is educated. He admits it—attended public schools in Chicago—graduated from Augustana College in 1890 with a B. A. degree and got his LL. B. degree from Kent College of Law, Chicago. Oh, he is educated all right, and he truly represents the farmers and cattle raisers on Devon Street, where they would not let me eat without a regulation dress coat. Also, the gentleman went to school in the Sunflower State of Kansas. He attended Bethany College at Lindsborg, Kans. I believe the gentleman taught school there or somewhere else. He also says he practiced at law among those farmers and live-stock producers on Devon Street, and I ask him now how can you properly educate a family of, say, two children to-day on an income of \$3,500? The Department of Education says that it costs \$8,000 to properly educate a child at the present high cost of living—which is four times greater than when the gentleman went to school—and yet the gentleman is saying to the Standard Oil Co. and the Texas Oil Co. and all of the other big oil corporations—and six of the biggest are in my district—"We will hand you back \$178,000,000 in tax reduction," and yet the gentleman is very active on the Ways and Means Committee, that drafted this bill—says he is opposed to any greater exemption for single persons and heads of families, and if it had not been for JOHN GARNER's amendment just forced over the gentleman and the Republicans on that side, the little corporations would not have gotten much reduction, as the majority drafted this bill. These big oil corporations are taking out of the ground down there, some of them, as much as 10,000 barrels a day from one well.

He hands this money back to them, but he says to the old farmer and the cattlemen, the men who went through the drought and the drop in prices in 1920, and who bore the brunt of the war, and who increased their herds as they had been requested to do—to them he says "No, no tax reduction for you"; and he says that he is proud of the fact that he was opposed to the exemption of heads of families up to \$3,500—this distinguished scholar and graduate of all of these colleges, who has a string of A. B.'s, LL. D.'s and every other kind of B's after his name as long as a cowboy's lariat. He knows what it costs to educate two of his children. He has just stated he was doing so. I have educated a couple of them and I know what it costs. Yet he says to the farmers north of Devon Street in ward 41 of the great city of Chicago, and those stock raisers in that district of his, "We will not give you an exemption up to \$5,000, those of you who have the responsibility of heads of families." I am not against corporations, I belong to a few, and this bill will probably help me a little, but can the gentleman

justify his position? The Department of Education says that it costs \$16,000 to educate two children, and that is the average number in a family. The head of such a family is the one that I am pleading for. Then, also take the girl in the work shops, the stores, the school-teachers—splendid young women who educate our children and make better citizens out of them all over this country. I am trying to raise their exemption from \$1,500 to \$2,000. I presume when the gentleman from Illinois taught school and wielded the birch rod in the little red schoolhouse on the hill down in the sunflower State of Kansas, that they did not have many colleges there. There were not many colleges there when he was teaching the young idea how to shoot, but since then the State has developed and they have colleges all over the great State of Kansas. The gentleman says that if he had his way he would not raise the exemption to \$3,500. I said to him Saturday, "Do you want to cut it down from what it is at present?" and the gentleman tip-toed and got florid in the face and all that, and I ask the gentleman now, Do you want to cut down the exemption of the head of a family and single persons as it stands at present? The gentleman does not make answer.

Mr. CHINDBLOM. I will answer the question as soon as the gentleman is through.

Mr. HUDSPETH. All right. The gentleman will have plenty of time to answer me. He has orated very vociferously three or four times already on this bill and, as I recall, almost every time the burden of his song was to reduce the taxes on the "oppressed" corporations. He seems to be the "director general" or, I might say, the "assistant director general" of this bill on the Republican side of the House. I say to my good friend from Iowa [Mr. GREEN], chairman of the Committee on Ways and Means, I presume he will answer, but I want to know whether he can answer to the people of this country who do not make their millions and do not pay on incomes of thirty and forty and fifty million dollars a year. Can you answer to the head of a family when we are trying to raise his exemption so that he can educate his children? One great man in Texas—I believe it was Sam Houston—said that the educated citizen was a bulwark of our liberties and a protection of those liberties against socialism and anarchy throughout the Government.

And I am sorry, I want to say gentlemen of the House, that my State of Texas, the empire State of the Union, ranks a little low in the education of its splendid citizens. I wish it stood first. That is all I am seeking for to-day. I just simply want to secure justice for the man at the head of a family who has as many as two children, as the gentleman from Illinois says he has two children he is putting through college. All right. Perhaps he is more fortunate than many of the people of my district. Many own livestock and ranches and many of them do not, but they want to educate their children in our State university, the great universities of other States. You can not do it on an income, I will say to my friend, of less than \$5,000 per year with the present high cost of living. I mean give them such a finished education as my people desire. Corporations as a rule have competent lawyers to prepare their income-tax reports—individuals have to go and hire them; this costs additional money; take that into consideration, also, gentlemen. I am also in sympathy with my friend from Oklahoma to raise the exemption of single persons as far as \$2,000 or \$2,500. However, I think everybody should marry who can, and I think almost everybody can. I trust my amendment will be adopted. [Applause.]

Mrs. NORTON of New Jersey. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment. The Clerk read as follows:

Amendment offered to the amendment offered by the gentleman from Texas, Mr. HUDSPETH: Strike out the figures "\$2,000" and insert in lieu thereof the figures "\$3,000."

Mr. HUDSPETH. It is agreeable to me.

Mrs. NORTON of New Jersey. I thank the gentleman.

Mr. Chairman, I am offering this amendment again, as I did on December 15, 1925, when the revenue bill was before the House.

I am so doing, because I sincerely believe that the Committee on Ways and Means this year should have increased the exemptions in personal incomes in the pending tax bill to \$5,000 instead of \$3,500 for married persons and \$3,000 instead of \$1,500 for single persons.

This committee is as well informed as I am on the true conditions of the country, especially with regard to the working classes.

I say this after carefully reading the address sent to us on the opening of Congress by the President, and I take exception

to his statement therein that the country is prosperous. [Applause.]

Only the banker and men interested in high finance are prosperous.

I will take the President back to his own section of the country, for he may not be fully informed, having spent the summer in the Black Hills of the Dakotas, rather than the country he knew.

How about the people of New England in the textile industry? Are they prosperous? From their own evidence they have never suffered more than during the past few years.

In the closing days of the Sixty-ninth Congress we heard the lady from Massachusetts [Mrs. ROGERS] tell of the idle spindles and the suffering of the people of her own district caused therefrom. These people have been working two and three days a week for the past few years.

I visited the city of Fall River myself and talked personally with many of the people employed in the mills there and they were bitter in their denunciation of this administration talking prosperity. It is poverty there, not prosperity.

I ask you, what are you going to do about it. If time permitted, I could cite many other instances of lack of prosperity among the working people of the country, but this, I think, is unnecessary, as every Member here has proof of the truth of this assertion.

Are you still going to add to their burdens? Are you indifferent to the plea of the farmer in the West; the cotton grower in the South; the industrialist in the East; and to that great unorganized army of men and women known as the "clerical staff" of the country? Are they not worthy of consideration? Is there a Member here who will say, with the high cost of living to-day, that an income of \$5,000 for married people and \$3,000 for single people provides anything more than the necessities of life?

How is this Republican administration going back to the people in 1928 without having fulfilled their promise that incomes of \$5,000 or less should be free from taxation?

We have been told this revenue bill, if it is to pass at all, must be passed "as is" without any amendments, and we call this a free government.

I am in favor of reducing the corporation tax because it is good for business and the working man, but I also firmly believe in extending similar relief to the family man and woman.

We are the greatest Nation in the world, yet we help every other country before the people at home. Charity should begin at home. This year their Representatives in Congress should listen to the plea of the people. [Applause.]

Mr. HOWARD of Oklahoma. Mr. Chairman, I move to strike out the last word.

Mr. HOWARD of Oklahoma. Mr. Chairman and Members of Congress, I am in perfect accord with the amendment offered by the gentleman from Texas [Mr. HUDSPETH] as to the matters of raising the exemption of heads of families to \$5,000. However, the amendment I sought to offer raises the exemption to single persons to \$3,000, and it is that amendment that I desire to discuss at this time.

I hope I may have your undivided attention for just a few moments, as this amendment is one of vast importance to a large number of our people. By it I seek to increase the exemption allowed to single people in the matter of income tax. I think the adoption of this amendment would only be extending justice to the large number of citizens interested. I fully understand that it has been the policy of revenue bills to make a distinction in exemption as between married and unmarried persons, under the plea that the married person is the head of a family, consequently has a heavier living expense, and for that reason is given a larger exemption.

Technically this is true, but I submit that there are in the United States literally thousands of working women and men who, while not legally the heads of families, are in fact assuming a part and in many cases all the responsibilities of this position. Every Member of Congress can call to his mind cases of which he has knowledge, of single persons who by reason of conditions are assisting in, or entirely supporting a family, and I submit that such person is just as much entitled to consideration as the other class whether these responsibilities come by reason of marriage or by circumstances which force upon them the same burdens.

It is my understanding also, Mr. Chairman, that it is not contended that this exemption would to any great extent disturb our revenues for the reason that the argument is made that this class of taxpayers as individuals pay at the maximum a very small tax. It is probably true that to many of them the amount in dollars and cents is small, but I suggest that in these days of high cost of living, in these days when the working woman

especially, must, if she is to continue in employment, spend a considerable amount of her income for clothing and to meet the requirements of to-day as to dress and fashions, which is expected of her if her employment is to continue, that even the small amount taken from her is to her very material. Not only this, but may I not suggest that this class of taxpayers, like most of the others, find it necessary in order to meet the requirements of the Government in making the technical and almost nonunderstandable reports required by the system, to make additional expenditures of from \$2 to \$5 in having their reports made. In addition to this, no taxpayer in these days can make a true report to the Government, as to income and expenditures if they want to be honest with themselves and their Government, without during the entire year keeping detailed book accounts.

This in itself makes additional cost and labor on the part of these people, and no doubt when we consider the expenses to the Government in handling, auditing, and passing upon these reports and add to that the cost of the taxpayers in preparing same, the probabilities are that these necessary expenses are as great, if not greater, than the revenues received by the Government.

But some one says they should pay a tax for the reason that every person receiving benefits of the Government should participate in paying its expenses. That is true, but I suggest that each of these taxpayers does contribute toward the cost of their Government. They contribute through taxes paid by the people from whom they purchase what they use and consume. They contribute by paying a tariff, in many cases an exorbitant tariff, on everything they use from the cradle to the grave.

In connection with an argument in favor of raising this exemption I read to you from an editorial printed in the Tulsa Tribune of Tulsa, Okla. This paper is owned and edited by Mr. Richard Lloyd Jones, a newspaper writer of national reputation and a man who is a recognized student of economics. In writing on this subject, this editor said:

"SINGLE" DISCRIMINATION

There's always a first for everything. Last week for the first time in Capitol records women testified before a committee of Congress on revenue matters. Taxes have to do with revenue. And women have always been the home economists, good, bad, or indifferent, to determine the outgo and, more and more, the income. But women who have always done this bit of practical economics had never before appeared to state their case before a congressional committee.

The women who appeared at this tax hearing in Washington were not the heads of homes, home being understood to mean a domicile whereof a man is head. They were single women asking for a removal of the discrimination in exemption against the unmarried person on the assumption that the unmarried person has not a family or other financial obligations which entitled her to the same consideration which the "head" of the family earns by virtue of his married state.

All of which discrimination against the single person comes as a result of the assumption, quite without fact basis, that single persons have none but themselves to support. As a matter of fact, most single persons contribute to the family support.

Insurance companies will flood you with proof that something like 90 per cent of all persons over 60 years of age are dependent upon others for their remaining years. But let several unmarried children be the sole support of their families, yet none may claim exemption as head of the family because she is not "sole" support of another.

This move for increased exemption for single persons is sponsored by the National Federation of Business and Professional Women's Clubs and is but one more plea for consideration to the small wage earner instead of additional concessions to the possessor of incomes over \$110,000. This action of a national business women's organization is a move in line with their general purposes—to secure equal opportunity for women with men in the business world; not equal pay necessarily, but equal opportunity and equal pay for equal work.

In their plea to remove the income-tax discrimination against single persons these women argued from figures which showed:

That for the emergency of the war, exemptions of married men or heads of families were reduced 50 per cent while 62½ per cent was taken off the exemption allowed single persons, although single persons were then and always will be the first persons drafted for the trenches in times of war.

That the exemption for single persons remained stationary during 1917-1924, while the exemption for married men and heads of families was increased.

That the exemption for single persons is one-half of what it was before the war, \$1,500 now as against \$3,000 in 1913-1916.

That the unfair neglect of single persons is further emphasized by the benefits given corporations and persons having incomes near or above \$1,000,000. In addition to which discrimination the 50 per cent surtax rate is largely a "paper" one, the actual rate being more

nearly half of that, whereas the persons on the lower income levels rarely ever escape the full imposition of the normal rate. "If persons having incomes of a million or more dollars," the brief continues, "pay at the same rate as those having \$110,000 income, then this favoritism is obviously absorbed through the rates paid by millions of smaller taxpayers."

The number of persons affected by this plea for removal of discrimination in exemption is considerable; witness the analysis of persons having incomes in the United States:

- a. Number of persons having incomes or wages, 42,000,000.
- b. Two per cent of these persons receive incomes of \$5,000 or above.
- c. Four per cent of these persons receive incomes of \$3,000 to \$5,000.
- d. Eight per cent of these persons receive incomes of \$2,000 to \$3,000.
- e. Eighty-six per cent of these persons have incomes of \$2,000 and under.

Economic pressure has been blamed for a multitude of social, political, and moral changes, not least of which is the matter of marriage: "He couldn't afford to marry," or "She had to think of her mother and father." And in the economic struggle single persons, consciously or unconsciously, are in the lower income levels. Yet they, too, carry part of the burden of surtaxes which are passed on to the consumer.

There is this discrimination in the case of the single person. The tax rate is apparently the last place official Washington expected to have the discrimination attacked. Washington sat up and took notice when for the first time in the record of the Capitol women appeared before a committee of Congress on financial matters. A fair enough cause took them there.

In the name of thousands of single men and women in each congressional district in the United States, I plead with you for an adoption of this amendment, the raising of their exemptions to the \$3,000 suggested in my amendment, and thus the extension to them of the justice and equity to which they are entitled. [Applause.]

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. CHINDBLOM. Mr. Chairman, it is very easy for Members to grow exuberant and generous on the floor of this House in giving exemptions and deductions and releases from taxation to their constituents. Of course, they do not bear the responsibility. The responsibility will be that of the House, and individual votes may not count much. But I want to suggest to Members of the House that it is of no use to make proposals here that are impracticable and impossible.

Mr. HOWARD of Oklahoma. Who are to be the judges of that; the gentleman from Illinois or the whole House?

Mr. CHINDBLOM. I did not yield to the gentleman. The proposal to increase the exemptions from \$1,500 to \$3,000 for single persons and from \$3,500 to \$5,000 to heads of families means a loss of revenue of \$150,000,000. That is why I say it is impracticable and impossible. There is no such money in the Treasury.

Now my good friend from Texas [Mr. HUDSPETH] saw fit to read the Congressional Directory for the purpose of advising the House as to the past history of my poor self. I hope he will enjoy that when he reads it in the RECORD. It of course went to the very fundamentals of this tax problem, and—

Mr. HUDSPETH. It goes to show the source of this "finished education."

Mr. CHINDBLOM. Does the gentleman mean to say to me that a man with an income of \$5,000, even if he needs it all for himself and his family, should pay nothing toward the maintenance of this Government?

Mr. HUDSPETH. Oh, he pays State and county taxes, and all that; taxes used for building schoolhouses and roads, and the like.

Mr. CHINDBLOM. We are here concerned with the income tax, and the gentleman does not meet the question, I will say to him, by any personal reference to my views on that subject. I said on Saturday, and I say now, that in my opinion the exemption of \$3,500 for the head of a family is too high. I said I would prefer to make it \$3,000.

Mr. HUDSPETH. Has the gentleman attempted to cut it down in this bill? He is a member of the Ways and Means Committee.

Mr. CHINDBLOM. No. We think that the exemption of \$3,500 is not only ample, but generous. There are other things required by the people. I do not know whether the gentleman is in favor of increasing still further the allowance to corporations.

Mr. HUDSPETH. No; I am not.

Mr. CHINDBLOM. Then I will say that the gentleman from Texas [Mr. HUDSPETH] is opposed to it. He will have the opportunity to vote against it when the roll is called.

Mr. HUDSPETH. I am in favor of the Garner amendment. Mr. CHINDBLOM. Adding \$24,000,000 to the corporation reductions?

Mr. HUDSPETH. Yes; affording the small corporation the same chance as the large corporation.

Mr. CHINDBLOM. When we get through with this bill, if these plans are successful, we will have a bill calling for a reduction of from \$500,000,000 to \$600,000,000 in the face of a surplus of about \$225,000,000.

Mrs. NORTON of New Jersey. How much would it cost to collect this tax?

Mr. CHINDBLOM. I will put that in the RECORD, if it is desired.

Mrs. NORTON of New Jersey. Would it not cost more than the revenue obtained?

Mr. CHINDBLOM. Certainly not.

Mrs. NORTON of New Jersey. I understand it does.

Mr. CHINDBLOM. Certainly not. There is a great deal of misapprehension as to the cost of collection even of the small amounts collected by the Government. They do not cost the amounts that are generally suggested.

Mr. GREEN of Iowa. We always have something at the bottom brackets.

Mr. CHINDBLOM. But when you raise the exemption to \$5,000 and \$3,000, whom are you benefiting? The people who have an income of \$3,500 and less get no benefit because they are not paying any tax. You are benefiting the men of the highest income, the men in the highest brackets.

Mr. HOWARD of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Not now. The gentleman would not yield to anybody. A proposal was submitted to our committee by which a taxpayer of a lower bracket would have gotten a reduction of \$40, whereas the man in the highest bracket would have got a reduction of \$1,500. The benefit goes to the top of the list, not to the bottom. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, a calculation has been made hurriedly as to the number of taxpayers who would be taken from the roll by this amendment. The clerk to the committee estimated that it would take a million and a half people off the roll. My friend from Texas [Mr. HUDSPETH] is as strong a friend of the income tax as I am myself, and I give him the credit for that. But these amendments offered now, if carried out, would inevitably destroy the tax and leave nobody to pay it except a few millionaires, a few people receiving high incomes.

Now, these amendments—

Mr. HUDSPETH. Will the gentleman yield for a short question?

Mr. GREEN of Iowa. Yes.

Mr. HUDSPETH. If you raised the exemption to \$5,000, how many people would it drop from the roll from among those who are now paying an income tax?

Mr. GREEN of Iowa. A gentleman in front of me says 970,000. But a hurried examination by the Clerk shows that a million and a half would be dropped off the roll. In other words, we would have only a small proportion of people paying taxes out of the whole general population.

Mr. BUTLER. How much would that cost?

Mr. GREEN of Iowa. About \$40,000,000. Those people have never paid hardly anything. The result I referred to would come from the fact that it is also carrying on into the upper brackets.

Mr. CHINDBLOM. Mr. McCoy, the Actuary in the Treasury Department, said that for every increased reduction or exemption of \$500 to the individual taxpayer there will be a loss in revenue of \$50,000,000. This proposal means a \$1,500 increase in the exemptions for both heads of families and single persons, and that would mean a loss of revenue, according to Mr. McCoy, of \$150,000,000.

Mr. BUTLER. Then we would have to withdraw the bill.

Mr. HUDSPETH rose.

Mr. GREEN of Iowa. I have only five minutes. I hope my friend from Texas will not insist on asking me further questions.

Mr. HUDSPETH. My colleague from Texas says you will have twice the surplus you estimate, so if he is correct you would not have to withdraw the bill, as suggested by the gentleman from Pennsylvania.

Mr. GREEN of Iowa. I do not agree with the gentleman from Texas. I am no longer the head of a family, for unfortunate reasons, principally because I have advanced so far in years that my family is independent. I now only get this \$1,500 exemption, but I do know this perfectly well, that my

expenses are not one-quarter, not one-fifth—and I might put it larger than that—what they were when I was getting the full exemption of a married man, having my children educated, and taking care of a family.

I think the proportion we have fixed now is about right. I do not believe, in the interest of the income tax itself, we ought to increase the exemptions. I think they are high enough.

The people named by the lady from New Jersey are people who would pay no income tax whatever, the clerk in the store, the workman, and the ordinary mechanic; all of those people pay nothing whatever, and they would not be helped by this. Only those whose incomes approach \$10,000 or more would get any benefit out of it, and then it would run into the upper brackets. I think the amendment should be defeated.

The CHAIRMAN. The question is on the amendment offered by the lady from New Jersey to the amendment offered by the gentleman from Texas.

The question was taken, and the amendment to the amendment was rejected.

The CHAIRMAN. The question now recurs upon the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

Mr. CHINDBLOM. Mr. Chairman, what became of the amendment offered by the gentleman from Oklahoma?

The CHAIRMAN. That was a pro forma amendment.

The Clerk read as follows:

#### SEC. 44. INSTALLMENT BASIS

(a) Dealers in personal property: Under regulations prescribed by the commissioner with the approval of the Secretary, a person who regularly sells or otherwise disposes of personal property on the installment plan may return as income therefrom in any taxable year that proportion of the installment payments actually received in that year which the gross profit realized or to be realized when payment is completed bears to the total contract price.

(b) Sales of realty and casual sales of personalty: In the case (1) of a casual sale or other casual disposition of personal property (other than property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year) for a price exceeding \$1,000, or (2) of a sale or other disposition of real property, if in either case the initial payments do not exceed 40 per cent of the selling price, the income may, under regulations prescribed by the commissioner with the approval of the Secretary, be returned on the basis and in the manner above prescribed in this section. As used in this section the term "initial payments" means the payments received in cash or property other than evidences of indebtedness of the purchaser during the taxable period in which the sale or other disposition is made.

(c) Change from accrual to installment basis: If a taxpayer elects for any taxable year to report his net income on the installment basis, then in computing his income for the year of change or any subsequent year, amount actually received during any such year on account of sales made in any prior year shall not be excluded.

(d) Gain or loss upon disposition of installment obligations: If an installment obligation is satisfied at other than its face value or distributed, transmitted, sold, or otherwise disposed of, gain or loss shall result to the extent of the difference between the basis of the obligation and (1) in the case of satisfaction at other than face value or a sale or exchange—the amount realized, or (2) in case of a distribution, transmission, or disposition otherwise than by sale or exchange—the fair market value of the obligation at the time of such distribution, transmission, or disposition. The basis of the obligation shall be the excess of the face value of the obligation over an amount equal to the income which would be returnable were the obligation satisfied in full.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that on page 35, line 12, the word "amount" be changed to "amounts." That is a printer's error.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that on page 35, line 12, the word "amount" be changed to "amounts." Is there objection?

There was no objection.

Mr. HASTINGS. Mr. Chairman, I want to ask the gentleman from Iowa if there is any change made in existing law by this section, and particularly I want to ask whether there is any change in subdivision (b) of section 44?

Mr. GREEN of Iowa. The only change in (a) and (b) is liberalizing the provisions for the benefit of the installment sale dealers. We have changed the requirement of 25 per cent, as in the former law, to 40 per cent.

Mr. HASTINGS. Will the gentleman tell me what is meant by the language "casual sale or other disposition of personal property"?

Mr. GREEN of Iowa. That is a single sale that is not in the regular business.

Mr. HASTINGS. Is that in the existing law?

Mr. GREEN of Iowa. Yes; that is the same as in the existing law. It has been that way for a long while and we have never had any trouble with the provision.

The Clerk read as follows:

SEC. 48. DEFINITIONS

When used in this title—

(a) Taxable year. "Taxable year" means the calendar year, or the fiscal year ending during such calendar year, upon the basis of which the net income is computed under this part. "Taxable year" includes, in the case of a return made for a fractional part of a year under the provisions of this title or under regulations prescribed by the commissioner with the approval of the Secretary, the period for which such return is made. The first taxable year, to be called the taxable year 1927, shall be the calendar year 1927 or any fiscal year ending during the calendar year 1927.

(b) Fiscal year. "Fiscal year" means an accounting period of 12 months ending on the last day of any month other than December.

(c) Paid, incurred, accrued. The terms "paid or incurred" and "paid or accrued" shall be construed according to the method of accounting upon the basis of which the net income is computed under this part.

Mr. FREAR. Mr. Chairman, this bill can not become a law until some time in 1928. It proposes to rebate 1927 corporation taxes, amounting to more than \$150,000,000. A similar retroactive rebate of excess-profits taxes, also urged by the Treasury Department, was rejected by Congress in the 1921 tax bill. Why not now? We should be both just and consistent. If any provision in this bill is not right in the judgment of an individual Member it is his duty to offer amendments and, irrespective of political affiliations, he has the right to vote his convictions. I did so on the graduated tax amendment offered a few moments ago to relieve small corporations. The audible criticism was then made that three Republicans went through the tellers with you Democrats on this side of the aisle, and I regret if you felt contaminated by the presence of three Republicans. I would have been glad, however, to have voted with you on that proposition even if I had been alone, believing as I do that greater relief should be afforded small corporations than is contained in this bill. I believe we ought to relieve them, if possible, because their proportionate tax is too heavy. The large corporations of this country have been making enormous profits within the last year or so. They have been accumulating great surpluses and declaring frequent stock dividends that escape taxation while the small corporations have been glad to get by with any surplus at all for a rainy day. We all know that. I looked for another amendment to come from some gentleman on the Democratic side of the aisle. Such an amendment substituting 1928 for 1927 would protect the Treasury by \$160,000,000 if that date was fixed for the time the corporate tax reductions in this bill are to go into effect. If the tax cut goes into effect for the 1928 tax, instead of for 1927, that great saving to the Treasury will occur and a retroactive tax refund will not occur to corporations that have passed on the 1927 tax to consumers.

I recollect reading the other day a pronounced article by the gentleman from Texas [Mr. GARNER]—a very distinguished gentleman now sitting on the right-hand side of the aisle—to the effect that by making this tax reduction law for corporations to apply in 1927 instead of 1928, as this bill proposes, we will give these corporations a present outright of \$160,000,000 in 1927 taxes, which they have already passed on to consumers. Thus we will relieve them from payment of a just tax they ought to pay. I also saw the answer of the distinguished chairman of the Ways and Means Committee, the gentleman from Iowa [Mr. GREEN], to the effect that the tax had not been charged to consumers, because he contends it is impossible to pass on the tax when a corporation is dealing with consumers. That may be true, so far as the exact amount of tax is concerned, but we took the position that it did pass on in the tax bill of 1921. That occurred when the question came up of making the excess-profits-tax repeal retroactive to cover the taxes of that same year of 1921. It was then decided that the tax had been passed on to consumers, and this same proposition was then defeated. In the excess-profits case it would have meant a loss of \$400,000,000, but by the action of the Republican side of the aisle, taken in conference by a majority of 6 or 8 out of about 180 Republican Members who were present, we decided at that time the proposal to repeal the 1921 excess-profits tax would be a retroactive proposition and we struck it from the bill. The tax repeal was then dated in 1922 and saved nearly a half billion dollars to the Treasury. We passed the bill so that the enforcement of the act would take effect in 1922 and not affect the taxes collected by corporations from consumers in 1921. I was much interested, as some Members may remember, in that change then made against the recommendation of the Treasury Department.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. FREAR. Yes; certainly I yield to the chairman of the committee.

Mr. GREEN of Iowa. There were some other reasons, too. We just simply did not have the money to spare at that time.

Mr. FREAR. Now comes the answer that was given a little while ago. We have no justification in making this tax reduction retroactive as is proposed in the bill before us or to give to corporations \$160,000,000 taxes that have been passed on to consumers.

Mr. GREEN of Iowa. But the gentleman, of course, is aware that I have always taken the position, following the professors of economics and all those who have made a special study of the subject, that except in unusual cases corporations could not pass on the tax. I made a speech three or four years ago on that subject and I have not changed my position at all.

Mr. FREAR. The gentleman from Iowa was with me in 1921 and objected to having the excess-profits-tax cut made retroactive. It was argued then, successfully, that the tax had been collected by the corporation as a part of its profits. We took the position then, that it was also a retroactive tax. Now, if you are going to make this tax reduction for corporations become effective for the year 1927, as you propose to do by this bill, then all of the enormous profits that have been made by these great corporations—and they have never made larger profits than those accumulated during the last two years—those net profits are going to be placed in their treasuries without repayment of the tax they have collected from consumers and which we will permit them to keep.

I feel grieved that my distinguished friend the gentleman from Texas [Mr. GARNER], who made such a splendid argument in the press against presenting this retroactive tax collection as a gift to corporations, and with which protest I was very largely in agreement, yet has offered nothing here to prevent that gross injustice to other taxpayers. Nothing has come from him by way of an offered amendment to prevent the injustice nor from his side of the Chamber. I would have been ready to have joined with him in such an amendment, and if the gentleman had made his usual forceful argument a majority might have been induced to support such an amendment and thus saved \$100,000,000 for additional tax reduction.

Mr. GARNER of Texas. If the gentleman had been here last Saturday, he would have heard me reiterate that argument then.

Mr. FREAR. I know the gentleman must have made a very eloquent and forceful argument, but only an amendment will affect the bill.

Mr. GARNER of Texas. I took the same position here last Saturday. I took the position that in my judgment it was economically unsound, was unjust, and was in the nature of a donation to the corporations.

Mr. FREAR. But only by an amendment to the bill could we make our impressions known or make them effective.

Mr. GARNER of Texas. And I will say to our friend from Wisconsin that one of the reasons he could do something in 1921 that he can not do now is because the Treasury Department's influence is a little stronger now than in 1921.

Mr. FREAR. I do not feel the Treasury Department is controlling the provisions in the bill. If so, both sides of this Chamber are in agreement on many of its provisions and also with the department even on this great tax rebate.

Mr. GARNER of Texas. The Treasury Department is insisting that this provision apply to 1927.

Mr. FREAR. But the Treasury Department, if the gentleman from Texas please, a few moments ago was in accord on small corporations with the gentleman's own amendment. I was in agreement with him and with the Treasury when the Republican side of the House was not, and we changed the bill by amendment.

Mr. GREEN of Iowa. Will the gentleman from Wisconsin yield?

Mr. FREAR. Certainly.

Mr. GREEN of Iowa. The gentleman from Wisconsin says the gentleman from Texas last Saturday made an argument—

Mr. FREAR. No; I regret I did not hear it. The gentleman from Texas said that he made such an argument.

Mr. GREEN of Iowa. The gentleman from Texas said he made an argument.

Mr. GARNER of Texas. I admitted it.

Mr. GREEN of Iowa. The fact of the matter is I had supposed the gentleman from Texas [Mr. GARNER] was conducting an entertainment for the benefit of the House, and the greater portion of what the gentleman had to say at that time referred to me personally rather than to any matter of argument on any of these taxes. Perhaps that is the reason the gentleman has not been ready to offer his amendment to-day.

Mr. FREAR. I will say, Mr. Chairman, I was prepared to support such an amendment when offered, as I understood it was to be offered by a member of the committee.

I was sure there would be an amendment offered from what I had seen in the press, an amendment that would have been consistent with the House action on the 1921 tax bill, and would not make this great gift to the corporations. If we could have passed such an amendment, it would not only have been just to the other taxpayers of the country who receive no rebate, but it would provide the Treasury with additional funds to the amount of \$160,000,000, so that in the event we change the form of the bill later on by increasing reductions, we would then have funds available for that purpose and not exceed the tax cut recommended by the Treasury.

Mr. CHINDBLOM. But that, of course, would only be for the next year.

Mr. FREAR. Yes; that is true.

Mr. CHINDBLOM. It would not help any for the year following or the years after that.

Mr. FREAR. I understand the question of permanency raised in any tax reduction, but if it was later discovered we were not receiving sufficient revenue after saving this additional \$160,000,000, then we could change the law next year or two years or three years from now. That would probably be unnecessary, but Congress can increase taxes when needed and if needed. I am seeking to save that necessity by preventing this gift to corporations through the 1927 tax they have collected and will now keep.

Mr. HASTINGS. Will the gentleman yield?

Mr. FREAR. Yes; certainly.

Mr. HASTINGS. I take it the gentleman is in thorough sympathy with the graduated income-tax principle.

Mr. FREAR. Absolutely.

Mr. HASTINGS. Can the gentleman give us any reason, in principle, why the brackets should stop at \$100,000?

Mr. FREAR. No. I am in favor of going higher with them, but I will say that no matter what kind of graduated income rates you may draw for either individuals or corporations, you necessarily will have to make the brackets stop somewhere. It is a question of individual and collective judgment as to what we should do and where the brackets are to be placed.

Mr. HASTINGS. Then does the gentleman believe in stopping the highest brackets at \$100,000, or taking them up higher?

Mr. FREAR. I would make them higher; personally, that is my judgment. But that question is not before us now, and we had passed the place in the bill before my attention was called to it, where the tax year should have been inserted to prevent the retroactive feature. I regret I relied on others to offer the amendment.

#### GOOD AND BAD FEATURES OF THE BILL

This tax reduction bill, like all such bills, is a compromise, and I approve that part which refuses to follow Secretary Mellon's request for a repeal of the Federal estate tax. In fact, with a tempting surplus on hand, I am fearful that another assault on the Federal taxing system would come from another array of governors and lobbyists, recipients of banquets, and free excursions to Washington. The application of the surplus to debts by the Secretary occurs if this bill fails. If we can give substantial relief to small corporations and wipe out the remaining nuisance taxes, I believe the bill will be helpful to people generally, who have had a slight dose of the sales tax, to make them careful in the future. Improvement in the administrative features it is claimed will relieve uncertainty, but complaint that needed amendments will wreck the bill comes with poor grace from those who are handing over \$160,000,000 in 1927 taxes to corporations that are swollen to the bursting point with surplus profits. This gift should be held up in the Senate, where opportunity for consideration permits discussion and a return to paragraphs as a matter of courtesy. The 1927 tax on corporations should not be rebated in whole or in part unless personal income taxes are also rebated.

#### THE ESTATE TAX

Mr. Chairman, I desire particularly to address myself to another proposal connected with the pending tax reduction bill, because if the Federal estate tax is repealed, as advocated by Secretary Mellon, I believe the State inheritance tax laws in turn will also be repealed. Such a serious loss to 45 of the 48 States will benefit no one excepting the owners of great wealth, who, like William Rockefeller, may own an estate of which two-thirds, as, in his case, \$43,000,000, escaped taxation during his lifetime in the form of tax-free securities.

Secretary Mellon's estate, it is estimated, will have upwards of from fifty to one hundred million dollars Federal estate tax to pay under existing law on his own enormous wealth, subject to the 80 per cent State credit by payments made to Pennsyl-

vania. He is chief proponent of the estate-tax repeal. He first argued that the Federal estate tax makes double taxation when a State inheritance law taxes the same property. To obviate double taxation Congress has extended a credit up to 80 per cent of the Federal tax where State inheritance-tax collections reach that amount.

By retaining the Federal estate tax Congress protects over 40 States from two or three States that appeal to residents of other States to come where no State tax exists, like Florida or Nevada for example, or where a nominal tax of only 2 per cent maximum rate exists, like in Pennsylvania and Wyoming.

Secretary Mellon further asserts that the Federal estate tax ought to be repealed because the Federal Government now retains only 20 per cent of the amount collected. That is the other horn of his former argument when he protested against double taxation. He now further discovers that the Federal tax interferes with State rights.

#### THE FEDERAL INCOME TAX AND STATE RIGHTS

This latter argument for a repeal of the Federal estate tax, to be consistent, would require also a repeal of the Federal income tax that produced in 1926 \$1,974,104,000, or more than one-half of all Government receipts for that year. Both encroach on State rights and the income tax is also double taxation.

Federal income-tax collections affect 20 States that have State income-tax laws and it is double taxation without any State credit allowed to those States, whereas the State credit of 80 per cent removes the double tax on inheritances. No one at this time dares advocate a repeal of the Federal income tax law, although no State credit is given.

Not only a repeal of the Federal estate tax and the Federal income tax, however, are to be attempted eventually, but in view of his recommendation for a sales tax to float the soldiers' compensation bill, Secretary Mellon will, presumably, favor also a repeal of the State inheritance and income-tax laws and will be a strong and influential supporter of a sales tax. His argument then will be that to relieve capital from tax burdens will help business. The sales tax in 1923 was defeated by wide indignation evidenced by protests from all the great labor and farm organizations that believed wealth, largely created by the last war, desired to shift its tax burdens over to consumption taxes to be paid by the 4,000,000 doughboys and the millions of other wage earners and farmers who through higher prices would then pay taxes on everything they consume. The powerful Hearst press then and since during every session seeks the passage of a sales tax and is an able supporter of Secretary Mellon in that particular.

Mr. Chairman, a vigorous effort to repeal the Federal inheritance tax is threatened as a forerunner of a later effort to repeal the Federal income tax. This eventual purpose is the judgment of legislators who from the day the first income-tax bill was passed have been active in protecting these sources of income. State laws to the same end will then be assailed by the same powerful interests. In House committee hearings strong lobbies appeared in Washington well financed and engaged in flooding Congress with propaganda to this end.

#### MILLIONAIRES INCREASED 300 PER CENT UNDER HIGH TAXES

In 1914 this country, based on reported incomes, had 7,509 millionaires. In 1926 the number had increased to 30,513 millionaires, based on their reported incomes. In other words, in 12 years, during and since the war and a period of unprecedented high taxes, if paid by them, millionaires increased over 300 per cent in number in this country and their total concentrated wealth was in a much larger proportion.

Prosperity it is alleged in some quarters is more diffused than ever before and corporations are now alleged to be owned by "the people" who have come into their own. After skimming the cream off from manipulated corporations, including consolidations, stocks have been unloaded by professional operators. Often numerous split-ups previously occurred among these operators. To induce the lambs to buy these manipulated stocks past profits are cited, but in all history the average man from the humblest wage worker to the white-collared floor walker has never been so burdened with purchases on credit, on partial payments that mortgage his income and peace of mind for years to come, irrespective of his earning capacity or fixed employment. High war prices have continued.

Prosperity comes last to the small taxpayer. He is the first to feel its departure and he outnumbers the millionaires a thousand to one. The millions yet living on farms who rarely have been able to hold their taxes and farm mortgages down to war-time figures are not urging the Secretary's particular tax-cut program that the committee has refused to follow in the estate tax repeal.

## FEW FARMERS PAY INCOME TAXES

Three million people, we are advised, have abandoned their farms within the past six years. Those remaining in many cases hold onto their places because of no other place to go. They are not interested in estate or income tax reduction, for they have little to do with either, but they will be rudely awakened if they have to pay a sales tax. A repeal of the Federal estate tax is a long step toward a sales tax.

To the 30,000 millionaires and several hundred thousand others in affluent circumstances out of our 120,000,000 people, the Federal income tax gained after many legislative struggles and the Federal inheritance tax are constant nightmares. Repeal of the Federal estate tax and repeal of the Federal income tax now based on the principle of ability to pay will both be demanded.

Mr. Chairman, a sales tax and indirect consumption tax must be substituted before wealth can force a repeal of both the Federal estate and income tax laws. Facts and evidence in support of these statements heretofore offered will not again be presented in detail, but students of taxation and the influences knocking at the doors of Congress all realize that arguments by powerful lobbies will be urged at this session and constantly hereafter for the early repeal of the inheritance and later for the repeal of the income taxes and for the substitution of a sales tax to provide revenues for the Government. The estate-tax-repeal lobby, well financed and eloquently represented by high-priced speakers, does not include in its numbers any laborers or farmers. The latter rely on Congress to represent them without any argument.

The Federal estate-tax-repeal lobby that reflects Secretary Mellon's views never sleeps, and its efforts are to be vigorously employed at the other end of the Capitol this session. The 30,000 millionaires can well afford to contribute unlimited funds to this lobby to "educate" Congress on the subject, because the Secretary alone, with holdings now rated by well-informed persons at from \$300,000,000 to \$500,000,000, could afford to give 10 per cent or more of his vast wealth toward that repeal "education."

## OUR FEDERAL ESTATE-TAX NOW IS ONLY ONE-HALF THAT OF ENGLAND

The maximum Federal inheritance tax rate is now 20 per cent of net estates exceeding \$10,000,000. England and other countries have a maximum estate tax of 40 per cent, or double that of our own, with proportionate larger collections, but Secretary Mellon, in his presentation to the Ways and Means Committee, declared that no estate tax should be levied in this country excepting in times of war. Why not in the wake of war?

His cry was echoed by the press. Powerful influences immediately gathered in Washington to repeat his slogan and to sound his praises. Like other declarations of Secretary Mellon, who has been likened to Hamilton, his statement, I submit, will not stand analysis.

Our national war debt of \$18,000,000,000, or eighteen times the pre-war figure, must be paid. It is a great war debt that will hang over our country for many years. It is as imperative for us to pay this \$18,000,000,000 as though war was now with us. Every other country engaged in the last war recognizes its debt situation by maintaining its estate, income, and other war taxes.

For the Secretary to say that because the sound of guns has stopped the sources of great wealth and graduated taxation should be dried up is folly unknown elsewhere in the world and not worthy of a second Hamilton, whose personal tax contribution to-day is probably larger than that of a thousand combined other taxpayers on the average, and whose personal wealth probably exceeds the combined fluid wealth of the country when Alexander Hamilton was our first Secretary.

For what has this great wealth been collected by one individual, and to whom is it to be given? The present Secretary can not take this vast wealth, reaching hundreds of millions, with him nor can any of the other 30,000 millionaires carry theirs beyond the grave. According to statistics that wealth has increased over 300 per cent in 12 years, indicating the 30,000 were not heavily taxed in the past compared with many millions of people who have been struggling for a bare livelihood.

## THE ESTATE TAX IS A JUST TAX

The estate tax is the most easily paid; it can not be shifted nor avoided, and it is the most just tax in principle that can be levied and paid. That is the judgment of economists of note. No estate tax or income tax has unjustly curtailed the accumulation of wealth by a handful of 30,000 millionaires, and whether the accumulation of the 30,000 have occurred through honest or dishonest means is not even the test, for they are able to pay the tax and should do so. If liquor bootleggers

can be held by the Treasury to a payment of income taxes from their bootlegging activities, why should great wealth be permitted to avoid the Federal estate tax it now pays.

European countries like ourselves are paying their war debts in part by a 40 per cent maximum rate in their estate taxes. Unless all their financial experts and economists generally are at fault, Secretary Mellon's statement as to that tax and "war" debts is incorrect. His personal interest of upward of \$100,000,000 in a Federal estate tax if to be paid at present rates may unconsciously influence his judgment as to taxes and also his recollection that our war debt is not paid. Until the \$18,000,000,000 national debt is wiped out the 30,000 millionaires and those best able to pay should willingly pay their rightful share of taxes whether based on incomes or estates.

When urging that estate taxes properly belong to the State the Secretary failed to say that Pennsylvania has an inheritance tax law of only 2 per cent maximum or the smallest rate among all the States. Compared with the 20 per cent Federal maximum estate tax it is only one-tenth excepting as to the tax on collateral heirs. Secretary Mellon has persuaded Congress to reduce the English maximum estate tax rates we formerly had to just one-half of the English tax rates. Possibly the same reason accounts in Pennsylvania for its 2 per cent maximum State rate. Wyoming has that same rate.

## STATES THAT HAVE NO ESTATE TAXES

Florida, now bidding for wealthy residents from Wisconsin, Illinois, New York, and other States, advertises it is a State without any estate tax for those who will come within its hospitable boundaries. Its taxes are collected from other sources. For years Florida circulated Northern States with attractive literature, but more inviting than any argument concerning its salubrious climate was its appeal to men of wealth who made their fortunes in other States to move to Florida for a temporary "residence" every year so as to avoid any estate-tax payments. Wisconsin furnished many such men, and the same is true of Minnesota, Illinois, and other northern States. These people "reside" in Florida briefly, but live in their northern homes eight months in the year.

In order to advertise to the world it is a haven of refuge from inheritance taxes Florida adopted a constitutional amendment providing its legislature shall not impose estate taxes. Nevada followed the same example of an estate-tax refuge as well as for would-be divorcees of the country, but of the 48 States, practically all, with two or three exceptions, have adopted and collect some kind of an estate tax, from the California rate of 12 per cent maximum down to the 2 per cent maximum in Pennsylvania and Wyoming. On indirect relations and with strangers to the deceased the fixed maximum rate is frequently higher.

Secretary Mellon complained of double taxation by both the State and Federal Government where such State taxes exist. The Pennsylvania and Wyoming maximum tax of 2 per cent is nominal, and if the Federal estate tax is repealed residents of Pennsylvania and Wyoming will carry their estates to the grave practically intact, yielding to the State only 2 per cent except to collateral relations.

Mr. Chairman, Congress has machinery for investigation and enforcement of both income and inheritance taxes. So, in justice to the States, Congress passed an amendment giving to all the States a credit based on their State laws up to 80 per cent of all Federal estate taxes collected where a State inheritance tax is paid. If the State has no estate taxes as in the State of Florida, then the northern resident may change his residence to the land of flowers, but the estate tax will not be escaped because the Government collects the tax from residents of all States with this difference that if Florida voluntarily absolved all its residents from estate taxes in the hopes of attracting wealthy people from 45 States then the tax not levied and collected by the State remains in the Federal Treasury.

New York has a maximum rate of 4 per cent for direct kindred; Tennessee and Vermont 5 per cent; Massachusetts, Texas, and North Carolina 6 per cent; Michigan 8 per cent; and Washington, Arkansas, and Wisconsin have a maximum rate of 10 per cent, while California is slightly higher.

On estates given to strangers or collateral kindred the maximum rates in each State are ordinarily higher, but, with the credit permitted to the State of 80 per cent of the Federal tax, the tax can not now be considered a double tax.

Until the two or three complaining States readjust their rates so they do not unscrupulously bid for residents from other States, any estate-tax loss is chargeable to the policy of the State that endeavors to rob other States of their residents by promised estate-tax exemptions.

REPEAL OF FEDERAL ESTATE TAXES MEANS REPEAL OF STATE TAXES

Only by retaining the Federal tax will the 48 States be induced to seek uniform State rates and only by retaining the Federal tax will States retain their own State inheritance taxes. The moment the powerful estate-tax lobby succeeds in a repeal of the Federal estate tax law, at that moment the same lobby will shift the scene of operations to repeal the estate tax laws of more than 40 States. I am speaking for the protection of every State, including my own, when I point out the danger of repealing the Federal estate tax as urged by Secretary Mellon in his argument before the Ways and Means Committee. It will involve a loss to Wisconsin of over \$2,000,000 annually if the State tax is repealed and of \$100,000,000 to the country at large.

An assault on the State inheritance laws in every State will be followed next by a demand for the repeal of the Federal income tax law that has been weakened by amendments and court decisions, which tax will fall in its turn. A sales tax that taxes every man "equally," not in proportion to his ability to pay, will then be substituted on the theory that any tax is a burden to business. Then the laboring man with six children and six pairs of shoes and six mouths to feed will pay six times the tax that need be paid by Mr. Mellon, subject to the different price paid by him for shoes and food. Not 2 per cent increase as represented by sales-tax proponents, but many times 2 per cent, depending on the number of turnovers. That is a "consumption or sales tax."

FEDERAL ESTATE TAXES, BY STATES, IN 1925

In 1925 the Federal estate tax amounted to \$101,421,766, collected from the 48 States, including Florida and Nevada. New York, of course, contributed the major part, but this is explained by a tendency of people of wealth from the remaining 47 States to migrate to New York when spending their last days. In Florida the Federal estate tax collected in 1922 was \$189,130 and that same year Wisconsin paid \$1,291,782, or nearly ten times as much. California paid \$4,241,140; Pennsylvania, \$8,329,481; and New York, \$47,023,286. In 1925, or three years thereafter, when northern residents rushed to Florida, the Federal estate taxes collected in Florida were \$1,217,702; Wisconsin paid \$1,125,099; California, \$4,412,641; Pennsylvania, \$10,123,406; and New York, \$34,334,108. A jump in Federal estate taxes in Florida in four years from \$189,130 to \$1,217,702 indicates why the fountain of eternal youth has its variable moods, and why the Federal taxing machinery is of help to the States where they have like taxes to collect. State inheritance taxes collected in 1926 reaching \$43,470,468 for New York and \$2,034,989 for Wisconsin were credited to the extent of 80 per cent of the Federal estate tax, but Florida received nothing from estate taxes. Florida "residents" who had gone there from New York, Wisconsin, and other States to avoid their local State taxes paid tribute to the Federal Government, without any particular gain to the expatriated northern taxpayer and none to Florida. We do not love Florida less, but our own States more, when asking for square dealing.

A reduction in corporation tax in the pending bill from a present 13½ per cent rate to a lower rate is relatively not important. Nearly \$100,000,000 is absorbed with every 1 per cent corporation tax, and a 2½ per cent reduction would dispose of the existing annual surplus according to estimates by the Treasury; but of infinite importance in our Federal taxing system is the proposal to wipe out the Federal estate tax, even as Secretary Mellon, supported by President Harding, unsuccessfully urged a Mellon tax bill and also a sales tax on Congress when the soldiers' compensation bill was passed over their opposition.

The Federal estate tax income of \$100,000,000 annually in round numbers subject to State credits can not be wiped out this session if the surplus is absorbed by corporation-tax reductions or a repeal of remaining nuisance taxes, but the action of the House is only a first engagement. The real fight to repeal the Federal estate tax, when the time is propitious, will be made in the Senate. Possibly an amended Treasury tax reduction estimate may occur after this tax bill leaves the House, but in any event the powerful lobby and the gallery of State governors who urge that repeal were not brought here by accident. They are expected to overwhelm Congress even as the Mellon bill propaganda swept the country when Mr. Mellon gave the signal—but failed to sweep Congress. Congress refused to be stampeded in time of peace by war propaganda methods.

GOVERNORS WHO ORATE AGAINST THEIR OWN STATES

Mr. Chairman, governors of States are brought here by the estate-tax-repeal lobby to force repeal of a law that under its 80 per cent State credit provision protects and preserves their own State inheritance tax laws until we are forcibly

reminded that the average man may easily be induced to sign a petition, without reading, to hang himself when executives of great States selected to guard the financial system of their States exercise no better caution.

They are captured by the lobby's glib argument of interference with State rights, when in fact the 80 per cent State credit protects the taxing State from faithless flapper invitations of any tax-free State. Only by retention of the Federal estate tax can State taxes be maintained through the 80 per cent State credit regulation, and it must be remembered that the Federal estate tax exempts the average estate left by 9 out of every 10 deceased persons.

State governors who favor a repeal of the Federal estate tax because of its interference with State rights in like manner seek to destroy our Federal income tax law that has been confirmed twice by the American people through constitutional amendments. Both the Federal income tax and the estate tax necessarily are invasions of State boundaries, and in most States to some extent result in double tax payments by the citizens affected. When these Federal taxes are repealed the estate taxes in the States will become a target for the lobby's fire and a vicious sales tax, the lobby's alternative will know no State boundaries when leechlike it fastens itself onto the necessities of life that every person consumes.

THE CHAMBER OF COMMERCE AUTOMATIC VOTING MACHINE

Since the World War there has come to the American Congress among other powerful lobbies a substitute for all the study service and statesmanship that governed the deliberation of Congress in the earlier days of American history. Wisely or unwisely our forefathers placed the responsibility for legislation on the American Congress governed only by the Constitution and the presidential right of veto. That responsibility is construed by the United States Chamber of Commerce to have been shifted. A superbody now exists that neither studies nor finds need of statesmanship but undertakes to decide momentous questions by simply voting from Dan to Beersheba its preference, unaffected by facts or arguments.

It waives the constitutional prohibitions and directions that govern Congress and by a gesture substitutes mechanical voting, nondeliberative methods. By directing its membership through suggestion how to vote on subjects that presumably have not enlisted the study of 5 per cent of its highly intelligent organization, Congress is now solemnly, frequently, and vigorously informed as to legislation by the United States Chamber of Commerce, that reiterates its 850,000 membership. By a pompously announced vote this "chamber" decides that all taxes affecting its 850,000 membership are objectionable to a large majority of that body. These include a substantial reduction in corporation taxes, a repeal of all remaining war excise taxes, repeal of the Federal estate tax, also protection of the Mississippi Valley against future floods, opposition to any proposal for a Government shipbuilding program, and so forth. Like the old-fashioned church pastor who in his prayers and sermons told the Lord just what to do and how and when to do it, this superbody by "voting" solves all the troublesome problems which 500 Senators and Members were elected by 120,000,000 people to settle.

Without argument pro or con, the American Congress is advised by the chamber of commerce 850,000 membership that the wise constitutional provision which permits each House to be the judge of its own membership is overruled by the chamber's vote of 36,122 to 2,221, or some similar figure. Only a fraction of the individual membership presumably attempts to vote.

A recent referendum asks these 850,000 members of the chamber of commerce to vote on the question of whether Congress can or should test the qualifications of its own Senators or Members when presenting themselves, however serious the charges pending.

Elihu Root, when United States Senator, offered this opinion over a decade ago:

There exists no power in our Government short of our amendment of the Constitution of the United States to limit or control the evidence we (the Senate) shall reserve or the grounds on which we shall act in judging the qualification and election of a Member.

The constitutional provision, however, did not anticipate a referendum vote of the 850,000 membership of the chamber of commerce. Referendums that run wild permit bombastic utterances to issue from those who control its overworked referendum machinery. These referendums now cover every conceivable subject from farm relief and flood control and expert tax reduction to weather conditions and the heights of skirts, all to be settled by "votes" of its generally uninformed membership.

## "ABSURD" VOTES BY AUTOMATIC MACHINERY

And so in its prodigious task of supervising all legislation in addition to running the "Chamber" units and innumerable golf courses, the individual members of the chamber from Androscoggin on the east and Tillamook on the west and Coffeerville or Biloxi on the Gulf and Kokomo and Oshkosh on the north are "voted" by the directors at Washington to show that the "Chamber," by 2,581 to 199, in its infinite wisdom on all legislative matters desires a tax reduction of \$400,000,000 annually, although the Treasury advises we vote only \$225,000,000 when flood control, farm relief, and other indefinite expenditures await legislation and appropriations.

President Coolidge declared the "vote" of the "Chamber" to be "absurd." It demands great appropriations and at the same time it "votes" a greater tax cut than either the Treasury or the Ways and Means Committee believes safe to make. The chamber officials who prepare these "votes" assert with positiveness its membership is intelligent. Does anything in the record of its "voting" methods support that belief?

Notwithstanding the Treasury estimate is \$225,000,000 for possible safe reduction, the economists, tax experts, and financial authorities voting in Podunk, Tillamook, and Kokomo by their vote have given Congress and the press and the public the exact figures reached by the intelligent (?) voting of its members. Congress and the country may feel relieved that the tax cut voted by the thousands of "Chambers" did not reach eight hundred million dollars instead of four.

Skeptics and scoffers may say that a vote of the Independent Order of Odd Fellows, Benevolent and Protective Order of Elks, or the Woodmen of the World would be of equal value, based on the lack of information possessed by those whose "votes" are thus solemnly reported to Congress from Pittsburgh to Podunk.

The measures on which this superchamber of commerce directs us how to act necessarily have all been studied in Congress, in committee and in the House and Senate, with the aid of expert information. True, also, in House and Senate the measures are debated by legislators who often burn midnight oil while grasping details that are made known to the chamber of commerce voters without study. When the several States by appropriate action delegate this chamber of commerce to tell Congress what to do then individual responsibility of Representatives will cease, but until that time comes every Member naturally inquires what interests and influences are responsible for some of the suggestions that are solemnly voted by the chamber's 850,000 membership.

Congress has not always accepted these commands, and numberless votes lie at the bottom of the average wastebasket, yet the chamber directors with a flourish of trumpets in the press always announce the result of the last vote, that to the lay mind assumes at times to regulate the solar and legislative system and votes that the law of gravity and the inheritance tax should both be repealed by the Seventieth Congress.

## HOW THE CHAMBER OF COMMERCE AFFECTS CONGRESS

If I remember correctly, this superlegislative advisory body once advised Congress to pass a vicious sales tax, that would have added a billion or more dollars to the high cost of living for ninety-five-odd wage earners out of every 100 people in order to relieve the remaining 5 per cent of a portion of the income tax levied against large incomes, frequently accumulated through war speculations. The sales tax or consumption tax, backed by the American Chamber of Commerce, did not recommend itself to Congress to the extent of even getting a favorable recommendation from a single committee of Congress. A vote of 15,000,000 Literary Digest selected names decided overwhelmingly that Congress should defeat a soldiers' compensation bill. Congress vetoed the vote and also placed its veto over a presidential veto. The chamber of commerce also shrieked against "capitalizing loyalty"; at least those members of the chamber who had cost-plus war contracts so voted.

The Mellon tax reduction bill looked like a winner and was enthusiastically referendummed by the chamber of commerce because of its generous tax reductions to those best able to pay. Again Congress after much study and debate ignored the referendum vote that was collected for its guidance. The chamber's referendum vote against the soldiers' compensation bill, like the Literary Digest vote, did not reflect the judgment of the American Congress, that was selected by the Constitution to determine such questions. Publicity but not legislation seems to be the primary purpose of the chamber's "vote."

## AN OVERWORKED LOBBY

The American Chamber of Commerce is an important organization in our business life and within its legitimate field has a

well-defined service to perform. In a lesser degree it may be contended Rotary Clubs, Lions Clubs, Kiwanis Clubs, and countless other organizations that thrive and prosper in America are of service, both in a large business sense and in the upbuilding of communities. Thus far none of these organizations has regularly given Congress the benefit of individual street opinions on legislative matters, nor can any objection be offered where the slightest intelligent understanding is evidenced by the vote returned.

We may soon look for group influences from the multitude of farm organizations that represent one-third of our population, and it is questionable whether the judgment of the tiller of the soil who has many moments of serious thought will not be of legislative value to the lawmaker equal to the votes on every conceivable subject now heralded through the press from the headquarters of the chamber of commerce.

This humble protest is not offered against the harmless referendums that regularly and often appear on Members' desks, but it is against a mechanical voting system, often without consideration, or at most, hazy street opinions gathered in hay-rake style, then emblazoned on the front pages of reputable papers as the solemn deliberate conclusion of a highly reputable organization.

If its work is directed to enlightening members on legislative proposals every legislative agent has a useful duty to perform. The only criticism lodged against certain lobbies, including foremost the chamber of commerce, is the method used to try and influence legislative decisions. Those favoring the retention of the Federal estate tax, which it opposes, and Federal income tax without the emasculation of either, are our constituents back home, who have no paid lobby to send to Washington but who have elected their Representatives to protect their interests. That duty each Member of Congress must perform according to his best judgment, and the responsibility rests on votes in Congress and not on referendum votes cast by members of the chamber of commerce or by other organizations.

Mr. BEEDY. Mr. Chairman and members of the committee, earlier in the debate a question was asked of the gentleman who then had the floor, the gentleman from Iowa [Mr. GREEN], and as yet the question has not been answered.

The question was how many people would be affected and how much revenue would be lost if we were to increase the present exemption of \$1,500 for single persons to \$3,000, and the exemption of married persons from \$3,500 to \$5,000.

According to the 1925 returns, this increase of the exemption for single persons would exempt 676,000 single persons who now pay a tax, with a resulting loss of revenue of \$7,600,000. The increase of the present exemption of \$3,500 to \$5,000 for married people would exempt from the operation of the present income tax law 551,000 more people who now pay an income tax, with an additional loss of revenue of \$6,706,000.

But the significant fact then remains that although this total of \$14,306,000 represents the relief that would be given by this increase in exemption to the person of small income, an additional loss of revenue of \$136,000,000 would result, or to put it the other way, such an increase in exemptions would affect all those in the higher brackets by saving them \$136,000,000.

I think these facts ought to be clear to the House.

Mr. CHINDBLUM. So that the total loss in revenue would be \$150,000,000?

Mr. BEEDY. One hundred and fifty million dollars would be the total loss, of which only about \$14,000,000 would benefit the man of small income, and only approximately 1,000,000 of our entire population would then come within the operation of our income tax law, which now applies to about two and one-half millions of our people.

The Clerk read as follows:

## SEC. 104. ACCUMULATION OF SURPLUS TO EVADE SURTAXES—1928 OR SUBSEQUENT TAXABLE YEARS

(a) Tax on personal holding company: If any personal holding company permits its undistributed profits for the taxable year 1928 or any succeeding taxable year to exceed 30 per cent of the sum of its net income for such year plus the amount of the dividend deduction and interest upon obligations of the United States, there shall be levied, collected, and paid for such taxable year, in addition to the tax on corporations imposed by section 13(a), a tax equal to 25 per cent of such undistributed profits.

(b) Definitions: As used in this section—

(1) The term "personal holding company" means any corporation if (A) at least 80 per cent of its gross income for the taxable year is derived from rents, royalties, dividends, interest (whether or not tax exempt), annuities, and (except in the case of regular dealers in securities) gains from the sale of securities, and (B) either—

Eighty per cent or more of its voting stock (exclusive of stock limited as to dividends and exclusive of stock redeemable upon less than 30 days' notice) is owned or controlled, directly or indirectly, through affiliation, stock ownership, voting trust agreements, or otherwise, by or for not more than 10 individuals; or

The right to receive 80 per cent or more of the dividends distributed by the corporation is vested, directly or indirectly, through affiliation, stock ownership, voting trust agreements, or otherwise, in not more than 10 individuals;

But such term shall not include any banking or insurance corporation.

(2) The term "dividend deduction" means the deduction specified in section 23 (p).

(3) The term "interest upon obligations of the United States" means interest upon obligations of the United States issued after September 1, 1917, which would be subject to tax in whole or in part in the hands of an individual owner.

(4) The term "undistributed profits" means the net income for the taxable year increased by the amount of the dividend deduction and interest upon obligations of the United States, but diminished by—

(A) the amount of tax under section 13(a) for the taxable year;

(B) the amount of dividends declared out of earnings or profits for the taxable year, not later than the 15th day of the third month following the close of such taxable year and payable prior to the 15th day of the sixth month following the close of such taxable year. If dividends so declared are not actually paid prior to such date, then the amount not so paid shall be included in the undistributed profits, and the tax imposed by subsection (a) shall be redetermined in accordance therewith.

(c) Tax on corporation formed or availed of to evade surtax.—If any corporation, however created or organized, other than a personal holding company, is formed or availed of for the purpose of preventing the imposition of the surtax upon any of its shareholders through the medium of permitting its gains and profits to remain accumulated, instead of being divided or distributed among its shareholders, there shall be levied, collected, and paid for the taxable year 1928 and succeeding taxable years, in addition to the tax on corporations imposed by section 13(a), a tax of 25 per cent of the net income of the corporation increased by the amount of the dividend deduction and interest upon obligations of the United States. Such tax shall be computed, levied, collected, and paid upon the same basis and in the same manner and subject to the same provisions of law, including penalties, as that tax. The following shall be prima facie evidence that a corporation, other than a "personal holding company" as hereinbefore defined, is formed or availed of for the purpose of preventing the imposition of surtax upon any of its shareholders:

(1) That the corporation is a mere holding or investment company; or

(2) That the gains or profits are permitted to remain accumulated beyond the reasonable needs of the business. In determining whether gains or profits are permitted to remain accumulated beyond the reasonable needs of the business there shall not be included gains or profits remaining accumulated during a prior taxable year for which the corporation has paid a tax imposed by this section.

(d) Information statements.—A corporation which in the taxable year 1928 or any succeeding taxable year permits the accumulation of more than 60 per cent of its net income increased by the amount of the dividend deduction and interest upon obligations of the United States, under regulations to be prescribed by the commissioner with the approval of the Secretary, shall (1) file as a part of its return a statement giving in detail the reasons for the accumulation and the purposes to which the amounts accumulated are to be devoted, and (2) from time to time thereafter file reports under oath giving the disposition of the amounts so accumulated until all such amounts have been accounted for.

(e) Optional tax on shareholders.—The tax imposed by subsection (a) shall not apply in respect of any taxable year if all the shareholders of the corporation include in their gross income, at the time of filing their returns, the amount of their entire distributive shares of the undistributed profits of the corporation for such taxable year. The tax imposed by subsection (c) shall not apply in respect of any taxable year if all the shareholders of the corporation include in their gross income at the time of filing their returns the amount of their entire distributive shares of the gains and profits remaining accumulated beyond the reasonable needs of the business as determined by the commissioner. Any amount so included in the gross income of the shareholder shall be treated as a dividend received by the shareholder. A shareholder who has so included in his gross income his distributive share shall be entitled to receive exempt from tax subsequent distributions made by the corporation out of earnings or profits until such taxpayer has received exempt distributions in the amount of such share.

Mr. GARNER of Texas. Mr. Chairman, I move to strike out the last word. I do that for the purpose of calling attention to this section 104. Unless you have the corresponding law of 1926 you probably do not know what the provisions of section 104 mean. I know I would not unless I had had some information about it.

Section 104 is entirely new. It is inserted in the bill in response to the advisory committee's criticism of the administration of section 220 in the present law. I am sure you will remember what section 220 in the present law is. It was intended to enable the Secretary of the Treasury to force corporations to distribute their profits and subject their shareholders to the tax levied by Congress. It has been in the statute for some years.

The advisory committee, in a very delicate way, intimated that the Treasury Department has not enforced the law. I say "delicate," because they call attention to the fact that it is very difficult to administer the law, and the result is that they suggest a remedy.

If you will take the report of the advisory committee that was placed in the box yesterday, you will find that the joint committee of the House and Senate recommended every provision in this advisory committee's report with the single exception of section 220. They did not recommend 220, but said they make no recommendation for 220. The reason was because the joint committee could not come to an agreement. The reason we could not come to an agreement is because some gentlemen, including the Treasury Department, is opposed to the recommendation of the advisory committee, which is in effect that you give an advantage of 20 per cent in taxes to those profits that are distributed against those retained in the treasury of the corporation.

I think that ought to be put in. I wish Congress would make a rate in this bill of 10 and 12 per cent instead of a flat rate of 11½ per cent. I wish it would make a rate of 10 per cent on distributed profits and 12 on profits retained in the treasury of the corporation. In this way you have an inducement to distribute the profits because you get an advantage of 2 per cent.

The individuals evading this tax do not want that done. No longer ago than the first part of last week you saw where the Federal Trade Commission, in response to a resolution of the United States Senate, made an investigation to ascertain the amount of stock dividends declared in 1920, and making a comparison for similar periods prior to 1920, when the Supreme Court held you could not tax stock dividends.

Now, that was an astounding report to me—an official report made by a bureau of our Government that six and one-half billion dollars of stock dividends were declared in seven years.

If the Government had been receiving a tax on that, we would have got something over \$700,000,000. Suppose we distributed 50 per cent of it. The Government would have received in the surplus brackets from those gentlemen who did not pay the tax, in round numbers \$300,000,000. In other words, the Treasury of the United States, by virtue of the non-enforcement of section 220 by the Treasury Department, has lost from three hundred to eight hundred million dollars in the last seven years.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GARNER of Texas. I ask for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GARNER of Texas. Now the committee—and Mr. GREEN is more responsible for it than anyone else—has in good faith undertaken to draw a provision that will be mandatory on the Treasury Department. When you find the Secretary of the Treasury is not enforcing the law as Congress intended, because he is not in sympathy with their paying in the higher brackets and compelling them to pay any more taxes than they can help, Congress now seeks to compel him to do it. When the gentleman from Arkansas [Mr. OLDFIELD] asked one of the expert draftsmen if he thought this would do the job, the fellow being honest, had to say, no, he did not believe it would, that they could get around this tax.

But, gentlemen, you could not get around it; it would be impossible to avoid it if you carried out the report of the advisory committee and gave a preferential to the fellow who made an honest distribution of his profits as against one who makes a dishonest distribution and holds it in his treasury and then declares a stock dividend, and pays no tax. Six and a half billion dollars in six years—more than \$1,000,000,000 a year of stock dividends declared in this country as compared with \$300,000,000 six years prior to that time! You know and I know and everyone else must know that those profits were retained in the corporations and issued in the form of stock dividends to avoid the surtax of the individual who would have received those dividends from the corporations if they had been distributed.

You are not going to reach them with this. I think the gentleman from Iowa [Mr. GREEN] has done about as good a job as he can do; but how can you reach it? I do not care

what laws you write upon the statute books, if you have not a man who is in sympathy with the law to enforce it, you will not get anywhere with it. I do not care what you put in that statute, if you turn it over to a man who is not in sympathy with the statute, he will find a way to avoid it, and that is what has been done with section 220 for the past six years. There is not a single instance, so far as I know, where the Secretary of the Treasury has collected what the statute said that he should collect, where a corporation fails to distribute the amount of money to its shareholders that it ought to distribute. You know there have been some instances in this country—and I think the chairman of the committee, if you will ask him when he gets on the floor, will tell you that he thinks that there have been instances where the Treasury ought to have enforced this statute. If there have been, and the Treasury did not enforce it, was it maladministration? No. It is just simply because the present Secretary of the Treasury is not in sympathy with these high brackets, is not in sympathy with this graduated surtax and the result is that wherever his discretion comes, he uses it in favor of the taxpayer. I thought the House ought to know what these provisions were intended for, and I took the floor for a moment for that purpose.

Mr. GIFFORD. Does not the gentleman know that we could not possibly invoke that section because the information necessary is absolutely unobtainable.

Mr. GARNER of Texas. I would say to the gentleman from Massachusetts that if he had been Secretary of the Treasury he would have made an effort at least to carry out that law, because he would have felt in honor bound to do it and no effort has been made to enforce it.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. GREEN of Iowa. Mr. Chairman, the gentleman from Texas is right. This is a very important section. The gentleman from Texas has made an argument, and I am glad he has, because he has the brains and ability to make an argument when he tries. When he tries to entertain the House, he is a great entertainer also, and that is what he was doing last Saturday.

Section 104 is supplementary to section 105. Section 105 is very nearly the old section 220 reenacted. There is a slight change in it. The gentleman from Texas [Mr. GARNER] is also right in saying that I have not been satisfied with the way that section 220 has been administered, and the gentleman from Texas is practically right also in saying that there has been almost nothing collected under it. A small sum has been collected under it.

The gentleman from Massachusetts [Mr. GIFFORD] in his interrogatory which he propounded to the gentleman from Texas [Mr. GARNER] referred to one part of 220. There is another part of 220 that is not discretionary at all because (b) of section 105 of this bill provides that—

the fact that any corporation is a mere holding or investment company, or that the gains or profits are permitted to accumulate beyond the reasonable needs of the business, shall be prima facie evidence of a purpose to escape the surtax.

Possibly the gentleman from Massachusetts [Mr. GIFFORD] may be right about the second alternative, but the first part of it is not alternative at all. It requires that when a corporation is a mere holding or investment company it shall be prima facie evidence of a purpose to escape the surtax.

Mr. GIFFORD. I was trying to express myself in this manner: The difficulty is that this section can not be administered. It is suggested that the officials could do it. This part of the law can not be administered, as sufficient information is unobtainable, and I am unwilling to have it blamed on this administration because it could never be administered under any administration.

Mr. GREEN of Iowa. I think the gentleman is in error in that. There has been no demonstration, at least, of any effort to enforce it. At all events, this subject has interested me greatly, and there was a special report made upon the administration of section 220 by the chief of the investigating division of the joint committee.

Mr. LaGUARDIA. Will the gentleman tell us what the objections were to recommending a preferential tax for those who distributed the profits?

Mr. GREEN of Iowa. I will come to that presently. As I said, there was a special report made, which report showed that the tax had never been assessed. They have not taken any cases to the Board of Tax Appeals. In a general way there has been little, if any, effort made to enforce this section 220 with reference to the evasion of the surtaxes by corporations,

and when the surtaxes were so high there was an enormous amount of taxes evaded in this method. I do not think at present there is as much evasion as there was. I do not agree with the gentleman from Texas [Mr. GARNER] that the method of putting a differential tax on those profits that are distributed from those not distributed is the proper way to remedy this situation. The trouble about any remedy of that kind is that it hits the honest man just as hard as it hits the dishonest man.

I repeat, the difficulty with the proposition recommended by the advisory committee, the one proposed by the gentleman from Texas, to put a differentiated tax on profits distributed from the rate on profits which are not distributed, hits the honest man who has a necessity for keeping a surplus in his corporation just as hard as the dishonest man who is trying to avoid taxes. If there is anything men do not like to be penalized for it is when they have not done anything wrong. Take the banks in my State. They are having a hard time to try to build up a surplus. The plan proposed by the gentleman from Texas would simply penalize those banks trying to build up a surplus. They lost their surplus in the hard times. Take the small corporations just starting. They have to build up a surplus in order to try to compete with the larger institutions. This provision proposed by the advisory committee, which was not approved by the joint committee, and approved by the gentleman from Texas, would penalize those gentlemen who are honestly endeavoring to build up a surplus which they needed in their business, and without which they could not make a success of their business, and they are hit as hard or harder than those trying to avoid the tax.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. LaGUARDIA. The recommendation provided for a blanket tax on all profits not declared whether kept legitimately for building up a surplus or not.

Mr. GREEN of Iowa. Yes; the provision recommended was that there should be a differential of 20 per cent between profits distributed and those which were not.

Mr. LaGUARDIA. They would tax all profits not distributed whether they were kept for the legitimate building up of a surplus or not.

Mr. GREEN of Iowa. Yes. No matter how legitimate the purpose might be for keeping them—and in a majority of instances the purpose would be entirely legitimate, because in only rather exceptional cases they are trying to avoid the tax—in a majority of cases it penalizes the honest man who is doing what he thought was for the benefit of his corporation in building up a safe and sound institution. For that reason I have been opposed to it. I have done the best I could to try to get something enforceable as against this practice of trying to avoid the surtax by corporations when I proposed this section 104. Now, the gentleman from Texas, probably unwittingly, somewhat misquoted the legislative counsel, Mr. Beaman. What Mr. Beaman said was, it would be possible to avoid section 104. It would be possible to avoid any tax. There is not any tax that could not be avoided. It will not be very easy to avoid it in my judgment or keep from enforcing it. We have got a large number of corporations in this country which are organized simply for the purpose of avoiding the surtax. They do not distribute any dividends, or, if they do, only a small part of them. We have a large number of companies, one-man companies, where one man owns practically all the stock with a few dummies, a secretary and stenographer and two or three others, or something of that kind. They are organized simply for the purpose of avoiding the surtax. We have motion-picture actors even who have incorporated themselves, who do not want to pay tax on their salaries, who hire themselves out to the corporation for a small sum. I do not say that is always done. I think it is rather exceptional, but it has been done, and in that way they have been able to avoid the surtax on large salaries.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. I ask for five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GREEN of Iowa. Now, you will observe that this is a tax on personal holding companies, and that personal holding company is defined to mean—

any corporation if—(A) at least 80 per cent of its gross income for the taxable year is derived from rents, royalties, dividends, interest (whether or not tax exempt), annuities, and (except in the case of regular dealers in securities) gains from the sale of securities.

In other words, it is intended to reach corporations that have no regular business except cutting off coupons, collecting rents, and receiving dividends.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. COOPER of Wisconsin. Has the word "personal" any special significance—"personal holding companies"?

Mr. GREEN of Iowa. No; I do not think it may be said to have any special significance except the fact they are organized for the real benefit of one person—the person who was trying to get away from the surtax.

Mr. COOPER of Wisconsin. It means simply a tax on the holding company?

Mr. GREEN of Iowa. Yes. The word "personal" was used to define the holding companies a little better. By that means we were able to make a better definition of the companies to which the tax applied.

As I said before, in nearly all of these cases there was one person who really got the benefit of all the profits of the company, but escaped the surtax by reason of the corporation.

Now, I wish to call the attention of gentlemen to the fact that these personal holding companies do not include any banking or insurance companies. We want the banks and the insurance companies to have a good surplus and to be perfectly safe, and all banks are justified in building up their business.

Mr. WAINWRIGHT. Mr. Chairman, will the gentleman yield there?

Mr. GREEN of Iowa. Yes.

Mr. WAINWRIGHT. Do I understand that by the gentleman's definition of what a personal holding company means, it means a corporation limited to 10 stockholders? I call the gentleman's attention to that part of the provision contained in subdivision 3 on page 57, where it is provided that 80 per cent of the voting stock shall be held by not more than 10 individuals?

Mr. GREEN of Iowa. As I understand the question of the gentleman, the gentleman is correct. It is confined to those cases.

Mr. WAINWRIGHT. Confined to cases where the total number of stockholders does not exceed 10?

Mr. GREEN of Iowa. No; the gentleman will notice that it does not mean the number of stockholders, but where the right to receive 80 per cent or more of the dividends distributed by the corporation is vested, directly or indirectly, through affiliations, stock ownership, voting trust agreements, or otherwise, in 10 individuals.

Mr. WAINWRIGHT. It is where there are not more than 10 beneficiaries?

Mr. GREEN of Iowa. "Beneficiaries" would be a more accurate term.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. MOORE of Virginia. Has the gentleman any idea of what would be the practical operation of this if based upon past performances?

Mr. GREEN of Iowa. You will not find much direct revenue raised by this provision but the effect will be to dissolve a number of these corporations that were formed to escape the surtax, and the persons who own them will pay their surtax in the regular way, the same as other people. That will be the effect.

There may be some of them that will see fit to fight this proposition. Others may try to work out some method of evasion which is not covered by the language here. The statement made by the committee's eminent counsel, Mr. Beaman, may be correct, that there may be still some of them who will work through some process of evasion.

But you will notice that they will take a big risk in attempting to do that. They are liable to a heavy tax. My opinion is that few of them will attempt it. If we can not reach them under this provision 104, we still have the old 220, which with a slight change of verbiage we have still preserved.

I am told by gentlemen familiar with the operations of these corporations and gentlemen connected with large accounting firms and others that section 220 of the present law, while it never brought in any revenue, operated in such a way as to cause a great many of these corporations to dissolve. It has been, in fact, a most excellent scarecrow, if it has been nothing else, and it has driven these people into taking such action as to avoid the penalties prescribed. The committee has been criticized in relation to this matter, and I admit that I myself am not entirely satisfied with the way section 220 has been enforced. At the same time we all must admit that there is some difficulty in administering it, and the old provision that we had before the last law had a joker that was slipped into it in some way—I do not know exactly how—so that we did not consider the Treasury at all to blame for not enforcing section

220 as it was before the law was enacted in 1926. But I want to say this, and it is one thing that I think justifies the creation of the advisory committee: There have been a number of cases commenced against these people. At the time the joint committee was organized, at the time when its staff went to work, my understanding is that there was not a solitary case pending against those people.

I understand that now, to-day, there are 50 cases pending against them. I think a considerable revenue will be got out of them, far more than the cost of the joint committee; I think it will come from this source alone. The attention of the Treasury has been particularly called to this kind of a provision, and I am free to say this to the Members of the House: That I propose to see that the provisions of these two sections are enforced, so far as the Treasury can enforce them. I am not content that they should sit back and say, "We do not think this can be enforced." Let them assess the tax and if the party assessed has any grievance let him go before the board and get a construction. Let the matter be tried out. Of course, we ought to have the statutes applied.

That is the situation, gentlemen, with reference to these two sections. They are, as the gentleman from Texas [Mr. GARNER] said, two very important sections. [Applause.]

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. LAGUARDIA. I just wanted to say to the chairman of the committee that if he desires to accomplish the purpose entertained under section 204, there should be a change in the definition of a personal holding company; that between the time this bill passes the House and goes to the Senate some thought should be given to that definition. As it now stands, you limit that to 10, and if the person or number of persons are anxious to avoid the law, they certainly would not have any scruples against taking on one additional person.

Mr. GREEN of Iowa. Those are the persons that would get the dividends.

Mr. LAGUARDIA. It should be applied to these beneficiaries rather than the group.

Mr. GREEN of Iowa. If we do not catch them under section 204, then we can go to section 205, as to the intent; and if they make the attempt to evade, you can get them under 205.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. TREADWAY. Is it not a fact that this paragraph was one of the most difficult things that the committee had to deal with; and if, when this bill goes to the other branch, the gentleman can offer some suggestion that will improve the law and make it more effective in its administration, the committee will be only too glad if he will make the suggestion.

Mr. LAGUARDIA. I do not think that would be difficult.

Mr. GREEN of Iowa. Will the gentleman permit me to make a correction in my remarks?

Mr. LAGUARDIA. Certainly.

Mr. GREEN of Iowa. I have been speaking of section 105 when I should have been referring to (c) of this particular section. Section 105 applies to the taxable year 1927. That is what misled me for the moment and that is how I came to make that mistake. In my remarks when I referred to section 105 I should have said subdivision (c) on page 58.

The Clerk read as follows:

SUPPLEMENT B—COMPUTATION OF NET INCOME

[Supplementary to subtitle B, Part II]

SEC. 111. DETERMINATION OF AMOUNT OF GAIN OR LOSS

(a) Computation of gain or loss: Except as hereinafter provided in this section, the gain from the sale or other disposition of property shall be the excess of the amount realized therefrom over the basis provided in section 113, and the loss shall be the excess of such basis over the amount realized.

(b) Adjustment of basis: In computing the amount of gain or loss under subsection (a)—

(1) Proper adjustment shall be made for any expenditure, receipt, loss, or other item, properly chargeable to capital account, and

(2) The basis shall be diminished by the amount of deductions for exhaustion, wear and tear, obsolescence, amortization, and depletion which have since the acquisition of the property been allowable in respect of such property under this act or prior income tax laws; but in no case shall the amount of the diminution in respect of depletion exceed a depletion deduction computed without reference to discovery value under section 114 (b) (2) or to percentage depletion under

section 114 (b) (3). In addition, if the property was acquired before March 1, 1913, the basis (if other than the fair market value as of March 1, 1913) shall be diminished in the amount of exhaustion, wear and tear, obsolescence, and depletion actually sustained before such date, and

(3) In the case of stock the basis shall be diminished by the amount of distributions previously made in respect of such stock, to the extent provided under the law applicable to the year in which the distribution was made.

(c) Amount realized: The amount realized from the sale or other disposition of property shall be the sum of any money received plus the fair market value of the property (other than money) received.

(d) Recognition of gain or loss: In the case of a sale or exchange, the extent to which the gain or loss determined under this section shall be recognized for the purposes of this title, shall be determined under the provisions of section 112.

(e) Installment sales: Nothing in this section shall be construed to prevent (in the case of property sold under contract providing for payment in installments) the taxation of that portion of any installment payment representing gain or profit in the year in which such payment is received.

Mr. LUCE. Mr. Chairman, I move to strike out the last word. In view of the volume of criticism of the gain or loss feature of the revenue law that comes from my constituents I should be personally grateful if the chairman would here insert a sentence or two explaining why it was impossible to get rid of it.

Mr. GREEN of Iowa. The gentleman means the tax on capital assets?

Mr. LUCE. No. I refer to the gain or loss provision. All I am after is a word of explanation, because the law is so burdensome and is complained of by so many citizens.

Mr. GREEN of Iowa. That is all very fully explained, as the gentleman will see if he will read the report of the joint committee on page 10. The net revenue from this 12½ per cent tax in 1924 was \$39,567,000, and in 1925 it was \$109,912,000. We had the joint committee set one of its staff at work on it, and singularly enough we found that by far the greater portion of this tax was paid by those whose incomes were along toward the very highest brackets.

The reason we preserved this tax was, as it seemed to me, at least, that we could not justify ourselves before the people in saying that a man who earns something through the product of his hands or his brain should be taxed upon it, but that the man who held some property for a long time and did nothing with it, or the man who was successful simply in a long-time speculation should be exempted from a tax. We did not see how we could justify ourselves.

Now, it is true that this kind of a tax is not levied in England, but that country is in a different situation from ours. We are constantly developing here.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. LUCE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to proceed for five additional minutes. Is there objection?

There was no objection.

Mr. GREEN of Iowa. We are constantly developing in this country; our values are expanding; our corporations are developing; the prices of their stocks are rising, and there is an enormous amount of what we sometimes call unearned increment that is not reached in any other way than by this tax. It seems very hard, indeed, that a man who exerts himself to the utmost, so far as his personal exertions are concerned, either, as I said before, by his hands or his brain, should be taxed to the utmost, while those who gather in enormous profits without doing anything should be left untaxed.

Mr. LUCE. The serious complaint that comes to me is because in so many cases the time taken in computing the gain is so far out of proportion to the tax resulting. Has any thought been given to an attempt to get rid of the trivialities in this particular matter?

Mr. GREEN of Iowa. That is a fault of administration which we are trying to correct. It becomes purely administrative and we can not reach it directly. I think that in this country we are apt to be meticulous about our taxes, and that is why they get along better in England. They do not always try to collect the last cent, whereas here we think we have got to have the last cent if we spend 10 cents in collecting it. That is one trouble with our tax administration. I hope we will gradually get over it. That is about all I can say on that point, but, as I say, the total of this tax is enormous. As the gentleman will see, it amounted to over \$109,000,000 in 1925.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

The Clerk read as follows:

SEC. 114. BASIS FOR DEPRECIATION AND DEPLETION

(a) Basis for depreciation.—The basis upon which exhaustion, wear and tear, and obsolescence are to be allowed in respect of any property shall be the same as is provided in section 113 for the purpose of determining the gain or loss upon the sale or other disposition of such property.

(b) Basis for depletion.—

(1) General rule: The basis upon which depletion is to be allowed in respect of any property shall be the same as is provided in section 113 for the purpose of determining the gain or loss upon the sale or other disposition of such property, except as provided in paragraphs (2) and (3) of this subsection.

(2) Discovery value in case of mines: In the case of mines discovered by the taxpayer after February 28, 1913, the basis for depletion shall be the fair market value of the property at the date of discovery or within 30 days thereafter, if such mines were not acquired as the result of purchase of a proven tract or lease, and if the fair market value of the property is materially disproportionate to the cost. The depletion allowance based on discovery value provided in this paragraph shall not exceed 50 per cent of the net income of the taxpayer (computed without allowance for depletion) from the property upon which the discovery was made, except that in no case shall the depletion allowance be less than it would be if computed without reference to discovery value. Discoveries shall include minerals in commercial quantities contained within a vein or deposit discovered in an existing mine or mining tract by the taxpayer after February 28, 1913, if the vein or deposit thus discovered was not merely the uninterrupted extension of a continuing commercial vein or deposit already known to exist, and if the discovered minerals are of sufficient value and quantity that they could be separately mined and marketed at a profit.

(3) Percentage depletion for oil and gas wells: In the case of oil and gas wells the allowance for depletion shall be 27½ per cent of the gross income from the property during the taxable year. Such allowance shall not exceed 50 per cent of the net income of the taxpayer (computed without allowance for depletion) from the property, except that in no case shall the depletion allowance be less than it would be if computed without reference to this paragraph.

Mr. ARENTZ. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Nevada offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ARENTZ: On page 79, after line 24, add the following words: "This paragraph shall not apply to metal mines discovered after approval of this act," and add a new paragraph, as follows:

"In the case of metal mines the allowance for depletion shall be 15 per cent of the gross income from the property during the taxable year. Such allowance shall not exceed 50 per cent of the net income of the taxpayer (computed without allowance for depletion) from the property, except that in no case shall the depletion allowance be less than it would be if computed without reference to this paragraph."

Mr. ARENTZ. Gentlemen, the matter of depletion of mineral resources has been the cause of a great deal of misunderstanding, the cause of litigation, and of expense to both the Government and the producer of mineral wealth.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman permit an interruption?

Mr. ARENTZ. Certainly.

Mr. GREEN of Iowa. This is such an important matter and there are so few here, would the gentleman object to unanimous consent being given that we may return to this to-morrow?

Mr. ARENTZ. I will be pleased to do that; yes.

Mr. GREEN of Iowa. Then, Mr. Chairman, I ask unanimous consent to pass over this amendment for the present, with leave to return to it the first thing to-morrow.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the consideration of the amendment of the gentleman from Nevada and all amendments thereto be passed over for consideration the first thing to-morrow. Is there objection?

There was no objection.

Mr. HASTINGS. I would like to ask the gentleman if there is any other amendment to this section that this request applies to?

Mr. GREEN of Iowa. It applies to any amendment to the amendment.

Mr. FREAR. Mr. Chairman, I ask unanimous consent to extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read as follows:

SEC. 116. EXCLUSIONS FROM GROSS INCOME

In addition to the items specified in section 22 (b) the following items shall not be included in gross income and shall be exempt from taxation under this title:

(a) Earned income from sources without United States: In the case of an individual citizen of the United States, a bona fide nonresident of the United States for more than six months during the taxable year, amounts received from sources without the United States if such amounts constitute earned income as defined in section 31; but such individual shall not be allowed as a deduction from his gross income any deductions properly allocable to or chargeable against amounts excluded from gross income under this subsection.

(b) Teachers in Alaska and Hawaii: In the case of an individual employed by Alaska or Hawaii or any political subdivision thereof as a teacher in any educational institution, the compensation received as such. This subsection shall not exempt compensation paid directly or indirectly by the Government of the United States.

(c) Income of foreign governments: The income of foreign governments received from investments in the United States in stocks, bonds, or other domestic securities owned by such foreign governments, or from interest on deposits in banks in the United States of moneys belonging to such foreign governments, or from any other source within the United States.

(d) Income of States, municipalities, etc.: Income derived from any public utility or the exercise of any essential governmental function and accruing to any State, Territory, or the District of Columbia, or any political subdivision of a State or Territory, or income accruing to the Government of any possession of the United States, or any political subdivision thereof.

Whenever any State, Territory, or the District of Columbia, or any political subdivision of a State or Territory, prior to September 8, 1916, entered in good faith into a contract with any person the object and purpose of which is to acquire, construct, operate, or maintain a public utility—

(1) If by the terms of such contract the tax imposed by this title is to be paid out of the proceeds from the operation of such public utility, prior to any division of such proceeds between the person and the State, Territory, political subdivision, or the District of Columbia, and if, but for the imposition of the tax imposed by this title, a part of such proceeds for the taxable year would accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then a tax upon the net income from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title, but there shall be refunded to such State, Territory, political subdivision, or the District of Columbia (under rules and regulations to be prescribed by the commissioner with the approval of the Secretary) an amount which bears the same relation to the amount of the tax as the amount which (but for the imposition of the tax imposed by this title) would have accrued directly to or for the use of such State, Territory, political subdivision, or the District of Columbia bears to the amount of the net income from the operation of such public utility for such taxable year.

(2) If by the terms of such contract no part of the proceeds from the operation of the public utility for the taxable year would, irrespective of the tax imposed by this title, accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then the tax upon the net income of such person from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title.

(e) Dividends from "China trade act" corporation: In the case of a person amounts distributed as dividends to or for his benefit by a corporation organized under the China trade act, 1922, if at the time of such distribution he is a resident of China and the equitable right to the income of the shares of stock of the corporation is in good faith vested in him.

(f) Shipowners' protection and indemnity associations: The receipts of shipowners' mutual protection and indemnity associations, not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder; but such corporations shall be subject as other persons to the tax upon their net income from interest, dividends, and rents.

Mr. BRIGGS. Mr. Chairman, before we leave section 116, "exclusions from gross income," I would like to ask the chairman of the committee a question. I presume this applies to the salary and compensation of the officials of the States and municipalities and, of course, their salaries are exempt.

Mr. GREEN of Iowa. They are exempt under the Constitution.

Mr. BRIGGS. That is what I knew.

Mr. GREEN of Iowa. So far as my own inclinations are concerned, if I had any way about it, I think they ought to pay just the same as Federal employees, but we can not do it under the Constitution.

Mr. BRIGGS. Evidently, ever since the case of McCullough against Maryland was decided a great many years ago by the Supreme Court of the United States, that is not permissible; but I heard at one time that there was an effort being made to subject the officials of State and municipal governments, and of the subdivisions and agencies of the States and municipalities, to the tax, but I could not credit such information. I did not think this was in the mind of the committee and I just wanted this expression from the chairman.

Mr. GREEN of Iowa. No; and the committee did not deem it necessary they should be specially mentioned, being exempt under a constitutional provision.

The Clerk continued the reading of the bill, and read down to and including line 10, on page 90.

Mr. GREEN of Iowa. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. NEWTON, Chairman of the Committee of the Whole House on the State of the Union, reported that the committee, having had under consideration the bill H. R. 1, the revenue bill, had come to no resolution thereon.

JUAN SORIANO

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with accompanying papers, referred to the Committee on Foreign Affairs and ordered printed:

*To the Congress of the United States:*

I transmit herewith a report by the Secretary of State requesting the submission anew to the present Congress of the matter of a claim against the United States for the death on October 2, 1923, at Guerra, Dominican Republic, of Juan Soriano, a Dominican subject, who was killed by the landing of an airplane belonging to the United States Marine Corps, which formed the subject of a report made by the Secretary of State to me in March, 1926, and my message to the Congress dated March 22, 1926, which comprise Senate Document No. 84, Sixty-ninth Congress, first session, copies of which are furnished for the convenient information of the Congress.

I renew my recommendation originally made, that in order to effect a settlement of this claim the Congress, as an act of grace and without reference to the legal liability of the United States in the premises, authorize an appropriation in the sum of \$2,000, and I bring the matter anew to the attention of the present Congress in the hope that the action recommended may receive favorable consideration.

CALVIN COOLIDGE.

THE WHITE HOUSE, December 12, 1927.

SECOND PAN AMERICAN CONFERENCE ON HIGHWAYS (S. DOC. NO. 11)

The SPEAKER also laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Foreign Affairs and ordered printed:

*To the Congress of the United States:*

I renew the request I made of the Sixty-ninth Congress that legislation be enacted authorizing an appropriation of \$15,000 to enable the United States to participate in the Second Pan American Conference on Highways, which had been fixed to be held at Rio de Janeiro in the calendar year 1927, but which was postponed to meet at the same city in June, 1928.

A joint resolution for this purpose passed the House of Representatives on January 17, 1927, and was favorably reported to the Senate by the Committee on Foreign Relations, but failed to be reached in the Senate before final adjournment of the Sixty-ninth Congress.

The attention of Congress is invited to the accompanying report of the Secretary of State and House Document No. 631, Sixty-ninth Congress, second session, therewith inclosed, in which the facts regarding this conference are set forth.

CALVIN COOLIDGE.

THE WHITE HOUSE, December 12, 1927.

ANNUAL REPORT OF THE BOARD OF DIRECTORS OF THE PANAMA RAILROAD CO.

The SPEAKER also laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered printed:

*To the Congress of the United States:*

I transmit herewith, for the information of the Congress, the seventy-eighth annual report of the board of directors of the Panama Railroad Co. for the fiscal year ended June 30, 1927.

CALVIN COOLIDGE.

THE WHITE HOUSE, December 12, 1927.

BATTLE FIELDS OF THE UNITED STATES

The SPEAKER also laid before the House the following message from the President of the United States, which was read and, with accompanying papers, referred to the Committee on Military Affairs and ordered to be printed:

*To the Congress of the United States:*

In compliance with section 2 of the act of Congress to provide for the study and investigation of battle fields in the United States for commemorative purposes, approved June 11, 1926, I transmit herewith a report by the Secretary of War of the progress made under the said act, together with his recommendations for further operations.

CALVIN COOLIDGE.

THE WHITE HOUSE, December 12, 1927.

ANNUAL REPORT OF THE ALASKA RAILROAD

The SPEAKER also laid before the House the following message from the President of the United States, which was read and, with accompanying papers, referred to the Committee on Territories:

*To the Congress of the United States:*

I transmit herewith for the information of the Congress the annual reports of the Alaska Railroad for the fiscal years ended June 30, 1926, and June 30, 1927.

CALVIN COOLIDGE.

THE WHITE HOUSE, December 12, 1927.

BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

The Speaker announced the appointment of Mr. NEWTON, Mr. JOHNSON of Washington, and Mr. MOORE of Virginia as members of the Board of Regents of the Smithsonian Institution.

ADDRESS OF HON. R. WALTON MOORE

Mr. THATCHER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a speech made by the gentleman from Virginia [Mr. MOORE] on the life and services of George Rogers Clark.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. THATCHER. Mr. Speaker, under the privilege granted me therefor, I extend my remarks in the RECORD by including therewith a very able and interesting address recently delivered by our greatly esteemed colleague, R. WALTON MOORE of Virginia, touching the life and service of one of America's most illustrious Revolutionary heroes, George Rogers Clark. Though a native of old Virginia, General Clark lived the greater portion of his life in the Kentucky region and died there. To-day his sacred dust lies in beautiful Cave Hill Cemetery in the city of Louisville, within my congressional district:

GEORGE ROGERS CLARK DELEGATION FROM KENTUCKY AND THE OLD NORTHWEST TERRITORY STATES

Mr. MOORE of Virginia. It is with something of maternal pride the people of this Commonwealth view the greatness of the States of Kentucky, Ohio, Indiana, Illinois, Michigan, and Wisconsin, which afford such a marvelous example of American genius and enterprise. A welcome evidence of the growing intercourse and contact is that representative citizens of those States are now visiting the scenes of their social and political ancestry, to which attach the noble memories which are our common heritage. We hope they will find here that the structure built upon the old foundations is being expanded and strengthened, without forgetfulness of the past, but mindful of the requirements of the present and the future, and with the same steady vigor that is marking the progress of their own communities.

Those memories are, indeed, the heritage of us all, for it is clear that the States mentioned and also that portion of Minnesota lying east of the Mississippi River when the Revolution began were as much a part of Virginia as the locality where we are now assembled. The country west of the Mississippi previously a part of Virginia ceased to be so only when it was transferred by the British Government to Spain, which later transferred it to France, and it might have continued always under French rule except for the wisdom of the statesmen who effected the Louisiana Purchase.

When independence had been declared and the Revolution was being fought under the flag of the United States, the title of Virginia to Kentucky and the territory northwest of the Ohio River was legally

unassailable. Consider the facts: By the charter of King James I, the boundary of the Virginia Colony covered all the region from sea to sea, 200 miles north and 200 miles south from a straight line running westward from Cape or Point Comfort, a region 400 miles wide, stretching from the Atlantic westward to the Pacific. While the colonial status existed the British Government, exercising its dominant authority, made deductions from this original area not only by the grant to Spain but by limited grants to Maryland, Pennsylvania, and the Carolinas. But there was left to Virginia Kentucky and the Northwest Territory. And accordingly, the first Virginia constitution, the first written constitution in the entire world providing a complete system of government, after reference to the grants made by the Crown, it was declared "that the western and northwestern extent of Virginia shall in all other respects stand as fixed by the charter \* \* \*." Virginia's ownership could not fairly be disputed. Kentucky and the northwest belonged to her as a colony and automatically continued hers when she became a State. Ownership and sovereignty were vested in her and could not be elsewhere. The principle upon which her claim rested was recognized by the Articles of Confederation, and the Continental Congress never denied that she was entitled to rely upon that principle. Without any elaboration it may be noted that subsequent to the adoption of the Constitution of the United States the soundness of the Virginia claim received judicial approval in a case decided by her own court and in two cases decided by the Supreme Court, in which Chief Justice Marshall delivered the opinion.

So long as the western country was an almost unsettled wilderness there could be no real governmental institutions or activities. There was even vagueness about the remote boundaries of the great Virginia counties, whose entire population lived in the East. Postponing for a moment any reference to Kentucky and turning to the Northwest Territory, the story is of deep and absorbing interest. That territory was the subject of anxious consideration at an acute stage of the Revolution. The Articles of Confederation had been adopted by the Continental Congress but not ratified by all the States. They reserved to the several States the unoccupied western lands. In December, 1778, the Legislature of Maryland insisted that such lands should be held by the United States for the use of all the States, and making that a condition of ratification. The resolutions were sent to Congress, with a statement that the proposed reservation would prove ruinous to Maryland and other States similarly circumstanced and destructive of any union that might be organized. It said by plain implication that should Virginia's ownership be maintained her power and wealth would endanger the well-being of her sister States. It would create, as was said, "essentially a subconfederacy, an imperium in imperio." That protest and the claims of certain land companies were referred by Congress to a committee, which in 1780 made a report not questioning Virginia's title, but advising that some liberal disposition be made of the matter and setting out how indispensably necessary that was in order "to establish the Federal Union on a fixed and permanent basis and on principles acceptable to all of its prospective members; how essential to public credit and confidence; to the support of our Army; to the vigor of our councils and the success of our commerce; to our tranquility at home and our reputation abroad; to our present safety and our future prosperity; to our existence as a free, sovereign, and independent people." In view of the seriousness of the issue it can not be doubted that the success of the Revolution and the maintenance of the confederation were at stake. Had Virginia held off, there might have been immediate failure, and certainly the formation after a while of a more perfect Union under a better Constitution would not have been possible. But not more than four months following the appeal of Congress—in January, 1781—the Legislature of Virginia acted with unexampled generosity. It determined upon one of the most extensive gifts of which there is any record. It determined to give to the United States the lands northwest of the Ohio River, to be formed into States to be admitted to the Union on equal terms with the other States. Reasonable conditions were attached, among them being that the soldiers of the George Rogers Clark expedition should be properly compensated in land. When Jefferson, then governor, communicated to Congress what had been done he expressed the belief that should other States, having similar claims, assume a like attitude it might serve "to outweigh any success which the enemy might have hitherto obtained and render desperate the hopes to which these successes have given birth." There is no need to speak of the not material modifications made by Congress in accepting Virginia's proposal. It is enough to say that in 1783 the general assembly authorized the execution of a deed conveying the Northwest Territory to the United States. This deed, written on parchment, can be seen to-day in the manuscript division of the Library of Congress. It is dated March 1, 1784, and is signed, sealed, and acknowledged by four of Virginia's Delegates in Congress—Thomas Jefferson, James Monroe, Arthur Lee, and Samuel Hardy, two of them afterwards Presidents of the United States. A copy of the deed was then forwarded to the then Governor of Virginia, Benjamin Harrison, the ancestor of an Ohio President and an Indiana President. The historically exact comment of a brilliant New England historian is that "Virginia gave up a magnificent territory of which she was actually in possession." In the manu-

script division may also be seen, written by Jefferson on two small sheets of paper, the report of a committee of Congress of which he was chairman suggesting a scheme of government for the new territory. That was the basis of the Ordinance of 1784 and expressed the fundamental ideas carried into the Ordinance of 1787. It is not to be forgotten that the Jefferson scheme included a prohibition of slavery which, though voted down in 1784, was finally adopted in 1787. That prohibition was in line with the long resistance of Virginia to the slave trade. It was in line with the provision contained in her constitution. A fact of the utmost significance, commonly lost sight of in studying his career, is that Jefferson urged the prohibition should be imposed not only on the Northwest Territory but on any subsequently acquired territory, which would have included the Louisiana Purchase and the Florida Territory. The opinion is expressed by Fluke and other historians that had this been done the fierce controversies which led to the Civil War and the war itself would have been avoided, and of this there can be no reasonable doubt. Here at Richmond, to which the Virginia capital at Williamsburg had been removed in 1779, the vital transactions took place. It was here that the cession of the Northwest Territory was authorized. It was here that the governor was informed of the execution of the deed which conveyed the enormous area of 266,000 square miles and 170,000,000 acres.

Jefferson was mainly responsible for the vast Louisiana territory becoming a part of the Union. It was his fellow Virginian, George Rogers Clark, who, in the service of the State, was primarily responsible for the vast Northwest Territory becoming a part of it. And it can not be doubted that the fate of Kentucky was involved in the fate of the Northwest. When the treaty of peace was made at the end of the Revolution, Great Britain could not reasonably contest the sovereign ownership of the States with respect to the regions which they had been able to take and hold by armed force, but she was unwilling to surrender other regions which she herself had been able to retain, as witness what occurred with reference to the boundary lines established between Canada on the one hand and New York and the New England States on the other hand. At the date of the peace negotiations, had the British been occupying the western domain of which we are speaking—Kentucky and the country north of the Ohio River—she would have applied to it the theory she urged with respect to Canada. This consideration measures the extraordinary value of what was accomplished by Clark.

It was at Williamsburg that the curtain was raised on the supremely important and picturesque drama in which Clark was to have the principal part. He and other adventurous spirits, nearly all from eastern Virginia, had located in Kentucky. When the sword began to write the record of the Revolution in the east, the pioneers were menaced by the British and their Indian allies. They were remote from the seat of government in Virginia, and there was an utter lack of definiteness and power in any local government. Clark, who had come quickly to the front as their leader, realizing the imperative need of closer relations with the Virginia authorities and of such assistance as they might be able to furnish, brought about a meeting which delegated him and another to represent the perilous condition of the frontier. In the summer of 1776 they traveled on foot toward Williamsburg, a distance of 600 miles. Before arriving they found the legislature had adjourned and it was agreed that Clark should proceed alone; and this he did, and remained for several months until the business in hand was settled. He saw the governor, Patrick Henry, who was ill at his home in Hanover County, and found him entirely sympathetic. At the suggestion of the governor, he waited on the council, which finally consented to furnish and transport a supply of ammunition. Then when the legislature met he took up the matter of having Kentucky created and organized as a separate county, which was effected after a long and stubborn contest in December, 1776. On the committee which drafted the bill dividing the county of Fincastle into three new counties, one of them Kentucky, were Jefferson and George Mason, who, from first to last, were Clark's unswerving friends and supporters, and they were instrumental in passing the bill in the house and breaking the deadlock caused by the senate's disapproval. Then Clark, not yet 25 years old, went back to Kentucky and exerted himself in repelling the Indians and in directing the various activities of the new county. But this was only the first step. With the vision of a statesman he conceived the wonderful plan which he was to execute as a soldier. For the purpose of securing indorsement of his plan to invade the Northwest, he returned to Williamsburg in the fall of 1777 and enlisted the interest of Henry, Jefferson, Mason, and Wythe. Legislation was enacted and letters of instruction furnished him by Governor Henry which authoritatively commissioned and fortified him for the undertaking which he had conceived. He took away with him the news of the American victory at Saratoga, and as he won his first success north of the Ohio he heard the news of the treaties with France, which gave him a conclusive argument with the people of the French settlements.

The British forts were Clark's objectives. Their capture would shift the substantial possession and control of the country from the British to the Americans, and nothing else could serve to put fear in the hearts of the Indians and restrain the cruel methods of warfare to

which they had been instigated, notwithstanding the eloquent denunciations of Chatham and Burke. On the contrary, failure and defeat could mean but one thing, the complete extinction of the commander and his little army, which never numbered more than 200 men. All of the forts were captured except Detroit in a campaign lasting much less than a year. The fort at Kaskaskia, some 60 miles below St. Louis, fell into Clark's hands on July 4, 1778, while there was being celebrated in Philadelphia the anniversary of the Declaration of Independence. A little later the fort at Cahokia, nearly opposite St. Louis, surrendered. Soon the fort at Vincennes surrendered, and having in the latter part of 1778 been recaptured by the British, was again taken by Clark in February of the next year, among the prisoners being the British lieutenant governor, Henry Hamilton, who had before made his headquarters at Detroit. Hamilton was sent to Williamsburg, where, in retaliation for his encouragement of Indian barbarities, he was confined as a prisoner in a house I believe still standing, which he called his dungeon. It is true that Clark's purpose to reduce the fort at Detroit miscarried, but his other triumphs rendered the British cause hopeless throughout the entire region, and this fact obtained practical recognition when the peace treaty was being negotiated. He wrote to Henry and Mason that he was mortified to see slip, because of the lack of a few men, so fair an opportunity to push a victory, but he continued to yearn for the means of capturing Detroit. In 1780 the matter was brought to the attention of General Washington, who wrote of Clark that the enterprise could not be committed to better hands. In 1781 an entry in Washington's recently published diary, under date of June 9, refers to the fact that Clark had asked that the Ninth Virginia regiment and Heth's company be assigned as a force to go against Detroit, but that the request had to be refused for fear of weakening the defense of Pittsburgh.

Of course, the means of communication in those days was slight, but those who knew anything of what had occurred knew that Clark had conquered the Northwest Territory. He received the thanks of the legislature of his State, and the conquest which he had made was quickly followed in December, 1778, by an act creating the new county of Illinois, to include "all citizens of this commonwealth who are already settled or shall hereafter settle on the western side of the Ohio." In 1779 the Continental Congress adopted a resolution expressing its "high sense of the enterprising spirit of Colonel Clark, of the State of Virginia, and under the particular appointment of that State," and "that the thanks of Congress be communicated to Colonel Clark and the brave officers and soldiers under his command for their ardor, bravery, and intrepidity."

There can be no attempt to detail the career of Clark in any of its stages. There can be no attempt to tell the story of the unparalleled obstacles which he and his followers encountered and overcame; of their experience in a wilderness where there were none of the ordinary belongings and processes of civilization, but only constant peril and inconceivable hardship; of his unflagging fortitude and cheerfulness when to nearly any other man the conditions would have seemed without hope; of his willingness to risk everything and suffer and die for the cause which he espoused; of his ready sacrifice of his own resources by pledging them for the purpose of securing the most meager equipment and subsistence. In the report which his antagonist, Hamilton, made of the affair at Vincennes, he pays the American this tribute: "The difficulties and dangers of Colonel Clark's march \* \* \* were such as required great courage to encounter and great perseverance to overcome." He so impoverished himself that to him might be applied the words written over the tomb of Thomas Nelson at Yorktown: "He gave all for liberty." He held the abiding admiration and respect of his foremost contemporaries who knew him best and were in the best position to estimate the magnitude and value of his achievements—Washington, Henry, Jefferson, and Mason. Numberless voices now swelling into a great chorus echo their opinion. Long ago John Randolph of Roanoke spoke of him as the "Hannibal who by the reduction of those military posts in the wilderness obtained the Great Lakes for the northern boundary of our Union at the peace of 1783." A New England historian has written, "No story of the Arabian Nights is more romantic or improbable than Clark's conception of his plan of conquest and his success in carrying it out." That his career is coming to be all the time more fully understood, and the pinnacle of fame accorded him which he deserves, is largely owing to the patriotic diligence with which the historical societies of the States of which he may well be regarded as the founder have gathered up the original material, the documents, and correspondence, showing the originality and brilliancy of his plans and the skill and valor with which they were executed.

It is not to be asserted that Clark was always justly treated by those in control or by individuals. Even Washington himself did not escape the distrust and criticism which were inevitable in such a confused and difficult period as that of the Revolution. But, as has been stated, he quickly received the praise and thanks of Congress and the State legislature; and when he gave up his commission in 1783, Governor Harrison wrote: "Before I take leave of you I feel myself called upon in the most forceful manner to return you my thanks and those

of my council for the very great and singular services you have rendered your country in wresting so great and valuable a territory out of the hands of the British enemy, repelling the attacks of their savage allies, and carrying on successfully in the heart of their country." Years afterwards, in 1812, when he was old and poor and sick, the Virginia Legislature passed a resolution presenting him a sword with an expression of the gratitude and friendly condolences of that body and providing for the payment to him annually of the sum of \$400. I like to recall that having received his earliest inspiration as a youth at Gunston Hall, in my own county, where he often visited George Mason, it was Charles Fenton Mercer, then a member of the General Assembly of Virginia and later a Representative of that county in Congress, who initiated the action taken by the legislature.

In the erection of the statues of heroes of the past, Clark has not been forgotten. It is surely fitting that he who fought the Revolution to a victorious conclusion in the West should now be exalted along with the man who fought the Revolution to a victorious conclusion in the East. There is a commission created by Congress, of which the President is chairman, charged with the duty of arranging an appropriate celebration of the two hundredth anniversary of the birth of Washington, which occurs in 1932. It seems to me that the people of the mother Commonwealth of the statesman and soldier we are acclaiming and the Commonwealths formed out of the territory in whose history he is such a glorious figure might then unite to build in deathless commemoration of the conqueror of the Northwest a monument approaching in impressiveness and dignity the monument to Washington which towers above the Capital City of the Republic. No inscription could be devised that would adequately express what he was and what he did. No inscription would be needed except one name carved upon its face, the name of George Rogers Clark.

#### ADJOURNMENT

Mr. GREEN of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 30 minutes p. m.) the House adjourned until to-morrow, Tuesday, December 13, 1927, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

198. A communication from the President of the United States, transmitting supplemental estimate of appropriation under the legislative establishment for the fiscal year 1929 in the sum of \$5,000 (H. Doc. No. 96); to the Committee on Appropriations and ordered to be printed.

199. A letter from the Secretary of the Treasury, transmitting the report of the Surgeon General of the Public Health Service for the fiscal year 1927; to the Committee on Interstate and Foreign Commerce.

200. A letter from the Secretary of the Interior, transmitting report entitled "An act for relief in cases of contracts connected with the war, known as the war minerals relief act," covering the calendar year ending November 30, 1927; to the Committee on Mines and Mining.

#### CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 3124) granting a pension to Emma Jane Boyd; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 4947) granting a pension to Zorado B. Merrill; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HOLADAY: A bill (H. R. 6957) in relation to the construction, maintenance, and regulation within and by the United States of America of a nation-wide system of durable, hard-surfaced post roads and their appurtenances and the provision of means for the payment of the cost thereof; to the Committee on Ways and Means.

By Mr. COOPER of Ohio: A bill (H. R. 6958) granting the consent of Congress to the city of Youngstown to construct a bridge across the Mahoning River at Division Street, Youngstown, Mahoning County, Ohio; to the Committee on Interstate and Foreign Commerce.

By Mr. DAVIS: A bill (H. R. 6959) granting the consent of Congress for the construction of a bridge across the Cahey Fork River in Tennessee; to the Committee on Interstate and Foreign Commerce.

By Mr. EDWARDS: A bill (H. R. 6960) for the purchase of additional ground and the enlargement of the Federal building at Savannah, Ga., or the purchase of a new site and the erection of a new Federal building at Savannah, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6961) to provide for the authorization of appropriation for the purchase of a site and the erection of a Federal building at Glennville, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6962) to provide for the authorization of appropriation for the purchase of a site and the erection of a Federal building at Claxton, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6963) to provide for the authorization of appropriation for the purchase of a site and the erection of a Federal building at Reidsville, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6964) to provide for the authorization of appropriation for the purchase of a site and the erection of a Federal building at Sylvania, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6965) to provide for the authorization of appropriation for the purchase of a site and the erection of a Federal building at Millen, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6966) to provide for the authorization of appropriation for the erection of a Federal building at Waynesboro, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6967) to provide for the authorization of appropriation for the purchase of a site and the erection of a Federal building at Mitter, Ga.; to the Committee on Public Buildings and Grounds.

By Mr. ENGLAND: A bill (H. R. 6968) granting pensions to the officers and soldiers who served in the State troops of the various States in the late Civil War; to the Committee on Invalid Pensions.

By Mr. BANKHEAD: A bill (H. R. 6969) providing for a site and public building for post office and other Federal purposes at Russellville, Ala.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6970) to provide for the purchase of a site and the erection of a building thereon at Carbon Hill, in the State of Alabama; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6971) providing for a site and public building for post office and other Federal purposes at Fayette, Ala.; to the Committee on Public Buildings and Grounds.

By Mr. CHRISTOPHERSON: A bill (H. R. 6972) to create the American stabilizing commission and to provide for stabilizing the prices of certain farm products by purchasing the surplus thereof; to the Committee on Agriculture.

By Mr. DENISON: A bill (H. R. 6973) granting the consent of Congress to E. H. Wagener, his heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Mississippi River at or near Chester, Ill.; to the Committee on Interstate and Foreign Commerce.

By Mr. DYER: A bill (H. R. 6974) to permit the admission, as nonquota immigrants, of certain alien wives and children of United States citizens; to the Committee on Immigration and Naturalization.

By Mr. EDWARDS: A bill (H. R. 6975) authorizing the appropriation of \$25,000 for the erection of a monument or other form of memorial at or near Waynesboro, in Burke County, Ga., to mark the battle field where the Battle of Brier Creek was fought in the Revolutionary War; to the Committee on the Library.

Also, a bill (H. R. 6976) to foster and instill patriotism by furnishing United States flags to public schools and other educational institutions in America; to the Committee on Education.

Also, a bill (H. R. 6977) for establishing a forestry experimental station and national park at the "Old Stockade," near Millen, in Jenkins County, Ga., and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 6978) for investigation of brown wilt and other diseases of cotton plant in cotton-producing belt of United States; to the Committee on Agriculture.

Also, a bill (H. R. 6979) providing for drainage of low and swamp lands and for surveys and reports, and authorizing the appropriation of \$1,000,000 for this purpose; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 6980) to establish a fish-cultural station in the first congressional district of Georgia for the propagation and hatching of shad, marine, fresh-water, and other species of food fish; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 6981) to refund \$100,000,000 of cotton-tax money now illegally held in the Treasury to the several States from which collected, in amounts as collected from each State, to be distributed to the persons from whom collected or paid to their legal heirs at law; to the Committee on War Claims.

Also, a bill (H. R. 6982) for the development of the fishery resources of the South Atlantic States; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 6983) to determine proceedings in contested elections of Members of the House of Representatives; to the Committee on Elections No. 1.

Also, a bill (H. R. 6984) authorizing an appropriation of \$250,000 with which to acquire sea-island cottonseed and to reestablish the growing thereof; to the Committee on Agriculture.

Also, a bill (H. R. 6985) authorizing the appropriation of \$20,000 for the erection of a suitable monument or other form of memorial at or near Ebenezer Church, in Effingham County, Ga., to mark the spot where the Salzburger settled their colony in 1734; to the Committee on the Library.

Also, a bill (H. R. 6986) to amend the act entitled "An act for the relief of contractors and subcontractors for the post offices and other buildings and work under the supervision of the Treasury Department, and for other purposes," approved August 25, 1919, as amended by act of March 6, 1920; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6987) to preserve Fort Pulaski, near Savannah, in Chatham County, Ga., as a national military memorial park on account of its historic interest in Revolutionary times and since; to the Committee on Military Affairs.

Also, a bill (H. R. 6988) authorizing the appropriation of \$100,000 for the erection of a monument or other form of memorial at Jasper Springs, Chatham County, Ga., to mark the spot where Sergt. William Jasper, a Revolutionary hero, fell; to the Committee on the Library.

By Mr. HOUSTON of Hawaii. A bill (H. R. 6989) to amend the Hawaiian Homes Commission act, 1920, approved July 9, 1921, as amended by act of February 3, 1923; to the Committee on the Territories.

By Mr. JAMES: A bill (H. R. 6990) to authorize appropriations for construction at Pacific Branch, Soldiers Home, Los Angeles County, Calif., and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 6991) authorizing the erection of non-sectarian chapel at the Army medical center in the District of Columbia, and for other purposes; to the Committee on Military Affairs.

By Mr. O'CONNOR of Louisiana: A bill (H. R. 6992) to provide for flood control and the prevention of future flood devastations on the Mississippi River and its tributaries and for improving navigation by lowering flood levels from the Gulf of Mexico to Cairo and beyond, and for making topographical surveys and maps and hydrographic investigations to expedite flood control, and for channel stabilization and bank protection and repairing levees and flood protective works and public highways and post roads in overflowed territory, and to create a waterways and water resources commission to prepare comprehensive plans for flood control on all watersheds in the United States of America; to the Committee on Flood Control.

By Mr. QUIN: A bill (H. R. 6993) authorizing the Secretary of the Interior to sell and patent certain lands in Louisiana and Mississippi; to the Committee on the Public Lands.

By Mr. ALMON: A bill (H. R. 6994) to extend the time for commencing and completing the construction of a bridge across the Tennessee River, in Jackson County, Ala., at or near Scottsboro, on the Scottsboro-Fort Payne Road; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 6995) to extend the time for commencing and completing the construction of a bridge across Elk River on the Athens-Florence Road between Lauderdale and Limestone Counties, in the State of Alabama; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 6996) to extend the time for commencing and completing the construction of a bridge across the Tennessee River near Whitesburg Ferry on the Huntsville-Lacey's Spring Road between Madison and Morgan Counties, Ala.; to the Committee on Interstate and Foreign Commerce.

By Mr. DICKSTEIN: A bill (H. R. 6997) to provide for the deportation of any alien who fails to maintain his wife or minor child living abroad; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 6998) to exempt from quota husbands, fathers, and mothers of United States citizens and their chil-

dren under 21; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 6999) to admit into the United States all persons having duly visaed passports prior to July 1, 1924; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 7000) to exempt from quota wives and children under 18 of declarants; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 7001) to amend the naturalization laws relating to certificates of arrival; to the Committee on Immigration and Naturalization.

By Mr. FULMER: A bill (H. R. 7002) granting allowances for rent, fuel, light, and equipment to postmasters of the fourth class, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. HOGG: A bill (H. R. 7003) to amend paragraph 768 of the tariff act of 1922; to the Committee on Ways and Means.

By Mr. BANKHEAD: A bill (H. R. 7004) to encourage the development of the agricultural resources of the United States and the establishment of rural homes through Federal and State cooperation, giving preference in the matter of employment and the establishment of such homes to those who have served with the military and naval forces of the United States; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 7005) to provide that the United States shall cooperate with the States in promoting the health of the rural population of the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FISH: A bill (H. R. 7006) to designate a building site for the National Conservatory of Music of America, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. JAMES: A bill (H. R. 7007) prescribing the Army ration; to the Committee on Military Affairs.

Also, a bill (H. R. 7008) to authorize appropriations for the completion of the transfer of the experimental and testing plant of the Air Corps to a permanent site at Wright Field, Dayton, Ohio, and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 7009) to authorize appropriations for construction at military posts, and for other purposes; to the Committee on Military Affairs.

By Mr. KIESS: A bill (H. R. 7010) to amend the organic act of Porto Rico, approved March 2, 1917; to the Committee on Insular Affairs.

By Mr. McKEOWN: A bill (H. R. 7011) to detach Okfuskee County from the northern judicial district of the State of Oklahoma and attach the same to the eastern judicial district of the said State; to the Committee on the Judiciary.

By Mr. MEAD: A bill (H. R. 7012) to reduce passport fees, and for other purposes; to the Committee on Foreign Affairs.

By Mr. RAGON: A bill (H. R. 7013) authorizing and directing the Secretary of War to lend to the Governor of Arkansas 5,000 canvas cots, 10,000 blankets, 10,000 bed sheets, 5,000 pillows, 5,000 pillowcases, and 5,000 mattresses or bed sacks to be used at the encampment of the United Confederate Veterans, to be held at Little Rock, Ark., in May, 1928; to the Committee on Military Affairs.

By Mr. RATHBONE: A bill (H. R. 7014) giving civilian clerks, Signal Service at large, the same military status as Army field clerks; to the Committee on Military Affairs.

By Mr. SEARS of Nebraska: A bill (H. R. 7015) to amend an act entitled "An act to establish a universal system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, as last amended by the act of January 7, 1922; to the Committee on the Judiciary.

By Mr. RATHBONE: A bill (H. R. 7016) to authorize and direct the construction and maintenance of a memorial highway connecting the city of Springfield, Ill., with the city of Beardstown, Ill., and for other purposes; to the Committee on Roads.

By Mr. HARE: A bill (H. R. 7017) to require manufacturers engaged in interstate and foreign commerce to give written notice to the Federal Trade Commission of the closing of their plants; to the Committee on Interstate and Foreign Commerce.

By Mr. DENISON: A bill (H. R. 7018) for the retirement of employees of the Panama Canal and the Panama Railroad Co. on the Isthmus of Panama who are American citizens; to the Committee on Interstate and Foreign Commerce.

By Mr. EDWARDS: A bill (H. R. 7019) to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads and for other pur-

poses," approved July 11, 1916, as amended and supplemented, and for other purposes, and authorizing appropriation of \$150,000,000 per annum for two years; to the Committee on Roads.

By Mr. MORTON D. HULL: A bill (H. R. 7020) for an act entitled "An act to provide for the appointment of postmasters, officers, and employees of the customs and internal revenue services and other branches of the Government service"; to the Committee on the Civil Service.

By Mr. TAYLOR of Colorado: A bill (H. R. 7021) to provide a summer residence for the President of the United States; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7022) to amend section 4 of the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 7023) to amend the tariff act of 1922 in order to provide for a tariff on hides of cattle; to the Committee on Ways and Means.

Also, a bill (H. R. 7024) granting the consent of Congress to compacts or agreements between the States of Colorado and New Mexico with respect to the division and apportionment of the waters of the Rio Grande, San Juan, and Las Animas Rivers and all other streams in which such States are jointly interested; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 7025) granting the consent of Congress to compacts or agreements between the States of Colorado and Kansas with respect to the division and apportionment of the waters of the Arkansas River and all other streams in which such States are jointly interested; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 7026) granting the consent of Congress to compacts or agreements between the States of Colorado and Wyoming with respect to the division and apportionment of the waters of the North Platte River and other streams in which such States are jointly interested; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 7027) granting the consent of Congress to compacts or agreements between the States of Colorado and Nebraska with respect to the division and apportionment of the water of the North Platte River and all other streams in which such States are jointly interested; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 7028) granting the consent of Congress to compacts or agreements between the States of Colorado and Utah with respect to the division and apportionment of the waters of the Colorado, Green, Bear or Yampa, the White, San Juan, and Dolores Rivers and all other streams in which such States are jointly interested; to the Committee on Irrigation and Reclamation.

By Mr. SUMMERS of Washington: A bill (H. R. 7029) for the adoption of the Columbia Basin reclamation project, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. KELLY: A bill (H. R. 7030) to amend section 5 of the act of March 2, 1895; to the Committee on the Post Office and Post Roads.

By Mr. LEAVITT (by departmental request): A bill (H. R. 7031) authorizing the Secretary of the Interior to arrange with States for the education, medical attention, and relief of distress of Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. GREGORY: A bill (H. R. 7032) granting the consent of Congress to Valley Bridge Co. (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Cumberland River; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 7033) granting the consent of Congress to Valley Bridge Co. (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Cumberland River; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 7034) granting the consent of Congress to Midland Bridge Co. (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Cumberland River; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 7035) granting the consent of Congress to Midland Bridge Co. (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the Tennessee River; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 7036) granting the consent of Congress to Valley Bridge Co. (Inc.), of Paducah, Ky., its successors and assigns, to construct, maintain, and operate a bridge across the

Tennessee River; to the Committee on Interstate and Foreign Commerce.

By Mr. MEAD: A bill (H. R. 7037) to reduce visa fees; to the Committee on Foreign Affairs.

By Mr. BOYLAN: Joint resolution (H. J. Res. 87) authorizing the selection of a site and the erection of a pedestal for the statue or memorial to Thomas Jefferson in the city of Washington, D. C.; to the Committee on the Library.

By Mr. DEAL: Joint resolution (H. J. Res. 88) proposing an amendment to the Constitution of the United States relative to the office of President of the United States; to the Committee on the Judiciary.

By Mr. HAUGEN: Joint resolution (H. J. Res. 89) authorizing the Secretary of Agriculture to dispose of real property located in Loudoun and Clarke Counties, Va., known as Mount Weather, no longer required for observatory and laboratory purposes; to the Committee on Agriculture.

By Mr. SNELL: Joint resolution (H. J. Res. 90) granting the consent of Congress to an agreement or compact entered into between the State of New York and the State of Vermont for the creation of the Lake Champlain bridge commission, and to the State of New York and State of Vermont to construct, maintain, and operate a highway bridge across Lake Champlain; to the Committee on the Judiciary.

By Mr. SIROVICH: Joint resolution (H. J. Res. 91) calling upon Calvin Coolidge to intercede in the name of humanity against the outrageous treatment of Rumanian minorities, and, failing in that, to bring about the abrogation of the treaties between the Kingdom of Rumania and the Government of the United States; to the Committee on Foreign Affairs.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 7038) granting an increase of pension to Millie Wynn; to the Committee on Pensions.

By Mr. BEEDY: A bill (H. R. 7039) granting an increase of pension to Fannie R. Parshley; to the Committee on Invalid Pensions.

By Mr. BLAND: A bill (H. R. 7040) granting a pension to Mary Frederick; to the Committee on Invalid Pensions.

By Mr. BRAND of Ohio: A bill (H. R. 7041) granting an increase of pension to Harriet E. Randall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7042) granting an increase of pension to Alice T. Rawlings; to the Committee on Invalid Pensions.

By Mr. BRITTEN: A bill (H. R. 7043) for the relief of J. Georges Peter and Marc Peter, jr.; to the Committee on Immigration and Naturalization.

By Mr. BULWINKLE: A bill (H. R. 7044) granting an increase of pension to Banner Chandley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7045) for the relief of Charles H. Edmiston; to the Committee on Naval Affairs.

By Mr. CANFIELD: A bill (H. R. 7046) granting a pension to James W. Shaw; to the Committee on Invalid Pensions.

By Mr. CHASE: A bill (H. R. 7047) granting an increase of pension to Mary E. Sutton; to the Committee on Invalid Pensions.

By Mr. CHRISTOPHERSON: A bill (H. R. 7048) granting a pension to Anthony Penson; to the Committee on Pensions.

By Mr. COOPER of Ohio: A bill (H. R. 7049) granting an increase of pension to Celia B. Se Cheverell; to the Committee on Invalid Pensions.

By Mr. COCHRAN of Missouri: A bill (H. R. 7050) granting an increase of pension to Bertha Hansmann; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7051) for the relief of George W. Gilmore; to the Committee on Military Affairs.

By Mr. DAVEY: A bill (H. R. 7052) granting an increase of pension to Maryett C. Snyder; to the Committee on Invalid Pensions.

By Mr. DEAL: A bill (H. R. 7053) granting a pension to William Tanner; to the Committee on Pensions.

Also, a bill (H. R. 7054) granting a pension to Mary A. Kane; to the Committee on Pensions.

Also, a bill (H. R. 7055) granting a pension to Charles C. Lentile; to the Committee on Pensions.

Also, a bill (H. R. 7056) granting an increase of pension to Mary Wilson Osterhaus; to the Committee on Pensions.

Also, a bill (H. R. 7057) granting an increase of pension to Lida B. Elkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7058) granting an increase of pension to Lucile Dodson Brown; to the Committee on Pensions.

Also, a bill (H. R. 7059) for the relief of estate of Sarah Harrison; to the Committee on Claims.

Also, a bill (H. R. 7060) for the relief of George W. Boyer; to the Committee on Claims.

Also, a bill (H. R. 7061) for the relief of William V. Tynes; to the Committee on Claims.

Also, a bill (H. R. 7062) for the relief of Hudson Bros.; to the Committee on Claims.

Also, a bill (H. R. 7063) for the relief of Bessie B. Hurd; to the Committee on Claims.

Also, a bill (H. R. 7064) for the relief of Lottie May Bolin; to the Committee on Claims.

Also, a bill (H. R. 7065) for the relief of George T. Easton; to the Committee on Claims.

Also, a bill (H. R. 7066) for the relief of Norfolk Dredging Co., of Norfolk, Va.; to the Committee on Claims.

Also, a bill (H. R. 7067) authorizing the appointment of Luther W. Dear as Infantry officer, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 7068) authorizing appointment of Herbert L. Lee as Artillery officer, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 7069) to extend the benefits of the employers' liability act of September 7, 1916, to James Robert Allen; to the Committee on Claims.

Also, a bill (H. R. 7070) making eligible for retirement under the same conditions as now provided for officers of the regular naval service Lieut. Commander William A. Hamilton, an officer of the United States Naval Reserve Force during the World War, who incurred physical disability in line of duty; to the Committee on Naval Affairs.

By Mr. DICKINSON of Missouri: A bill (H. R. 7071) granting an increase of pension to Fannie King; to the Committee on Invalid Pensions.

By Mr. DEMPSEY: A bill (H. R. 7072) granting a pension to Mattie Hawley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7073) granting a pension to Cora E. Cox; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7074) granting a pension to Elizabeth N. Perry; to the Committee on Invalid Pensions.

By Mr. DOUTRICH: A bill (H. R. 7075) granting an increase of pension to Anna F. Baugh; to the Committee on Invalid Pensions.

By Mr. DOYLE: A bill (H. R. 7076) for the relief of Contes Bros.; to the Committee on Claims.

Also, a bill (H. R. 7077) for the relief of Fuller-Morrison Co., of Chicago, Ill.; to the Committee on Claims.

Also, a bill (H. R. 7078) for the relief of William Knourek; to the Committee on Claims.

Also, a bill (H. R. 7079) for the relief of John Golombiewski; to the Committee on Claims.

Also, a bill (H. R. 7080) for the relief of Stella Murauski; to the Committee on Claims.

Also, a bill (H. R. 7081) for the relief of Pietro Lococo; to the Committee on Claims.

Also, a bill (H. R. 7082) for the relief of Thomas Hannon; to the Committee on Claims.

Also, a bill (H. R. 7083) for the relief of Frank Martin; to the Committee on Claims.

By Mr. DYER: A bill (H. R. 7084) for the relief of Lottie Naylor; to the Committee on Claims.

By Mr. EDWARDS: A bill (H. R. 7085) granting an increase of pension to Louise Hendershott; to the Committee on Pensions.

Also, a bill (H. R. 7086) granting an increase of pension to Ellen M. Willey; to the Committee on Pensions.

Also, a bill (H. R. 7087) granting an increase of pension to Georgia A. Bowen; to the Committee on Pensions.

Also, a bill (H. R. 7088) granting an increase of pension to Fannie Hamlet; to the Committee on Pensions.

Also, a bill (H. R. 7089) granting an increase of pension to Ernest G. Carpenter; to the Committee on Pensions.

Also, a bill (H. R. 7090) for the relief of Horace M. Cleary; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 7091) for the relief of George W. Turner; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 7092) for the relief of the heirs of Sarah P. Nix; to the Committee on War Claims.

Also, a bill (H. R. 7093) for the relief of W. H. Ryan; to the Committee on Military Affairs.

Also, a bill (H. R. 7094) for the relief of E. M. Carter; to the Committee on Pensions.

Also, a bill (H. R. 7095) for the relief of Otis Alexander Miller; to the Committee on Pensions.

Also, a bill (H. R. 7096) for the relief of the lawful heirs of Fanny Williams; to the Committee on War Claims.

Also, a bill (H. R. 7097) for the relief of the lawful heirs of Levy E. Byck; to the Committee on War Claims.

Also, a bill (H. R. 7098) for the relief of and granting compensation to C. W. King, growing out of the death of his minor son, Carl Calder King; to the Committee on Claims.

Also, a bill (H. R. 7099) for increase of compensation and to fix rating of permanent total disability for Alfred B. Schachte; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 7100) for increase of compensation and to fix rating of permanent total disability for Daniel J. Sheehan; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 7101) for increase of compensation and to fix rating of permanent total disability for Richard M. Hull; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 7102) granting retirement annuity or pension to John B. Fitzgerald; to the Committee on Pensions.

By Mr. ENGLAND: A bill (H. R. 7103) granting a pension to John H. Sarrett; to the Committee on Invalid Pensions.

By Mr. FISH: A bill (H. R. 7104) for the relief of Charles Wellesley Berrington; to the Committee on Naval Affairs.

By Mr. FLETCHER: A bill (H. R. 7105) granting a pension to Leonora H. Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7106) granting an increase of pension to Catherine Burkhardt; to the Committee on Invalid Pensions.

By Mr. FORT: A bill (H. R. 7107) for the relief of James Golden; to the Committee on Naval Affairs.

Also, a bill (H. R. 7108) granting a pension to Myra C. Morgan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7109) granting a pension to John F. Mann; to the Committee on Pensions.

By Mr. FREEMAN: A bill (H. R. 7110) for the relief of Frances L. Dickinson; to the Committee on Claims.

By Mr. FULMER: A bill (H. R. 7111) for the relief of Charley R. Saylor; to the Committee on Military Affairs.

By Mr. GREENWOOD: A bill (H. R. 7112) granting a pension to Mary S. Merrill; to the Committee on Invalid Pensions.

By Mr. GUYER: A bill (H. R. 7113) granting a pension to Rose B. Stine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7114) granting an increase of pension to Amy Hooper; to the Committee on Invalid Pensions.

By Mr. HALE: A bill (H. R. 7115) granting an increase of pension to Jennie A. Ford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7116) for the relief of David Copp, alias George Copp; to the Committee on Military Affairs.

By Mr. HALL of Indiana: A bill (H. R. 7117) granting a pension to Rosa Fosnight; to the Committee on Invalid Pensions.

By Mr. HAUGEN: A bill (H. R. 7118) granting a pension to Harry E. Patterson; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 7119) granting an increase of pension to Elizabeth Swan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7120) granting a pension to Stella A. Boldon; to the Committee on Pensions.

By Mr. HARDY: A bill (H. R. 7121) granting a pension to Virginia Myers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7122) granting a pension to Sallie Knightlinger; to the Committee on Invalid Pensions.

By Mr. HOOPER: A bill (H. R. 7123) granting an increase of pension to George M. Hodges; to the Committee on Invalid Pensions.

By Mr. HOWARD of Oklahoma: A bill (H. R. 7124) granting an increase of pension to Louis L. Francis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7125) granting an increase of pension to Elbert C. Francis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7126) granting a pension to Mrs. William R. Nelson; to the Committee on Pensions.

By Mr. IRWIN: A bill (H. R. 7127) for the relief of Elizabeth Hazzard; to the Committee on Military Affairs.

By Mr. JOHNSON of Illinois: A bill (H. R. 7128) granting an increase of pension to Belle Stuart; to the Committee on Invalid Pensions.

By Mr. KELLY: A bill (H. R. 7129) for the relief of Michael Ferry; to the Committee on Claims.

Also, a bill (H. R. 7130) granting an increase of pension to Rose Ehrenfeld; to the Committee on Invalid Pensions.

By Mr. KERR: A bill (H. R. 7131) to allow the distinguished-service medal for service in the World War to be awarded Capt. Kenneth C. Towe; to the Committee on Military Affairs.

By Mr. KOPP: A bill (H. R. 7132) granting an increase of pension to Sallie E. Masmar; to the Committee on Invalid Pensions.

By Mr. KURTZ: A bill (H. R. 7133) granting an increase of pension to Sarah Hays; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 7134) granting a pension to Pearl Trevasik; to the Committee on Invalid Pensions.

By Mr. MENGES: A bill (H. R. 7135) granting an increase of pension to Leah J. Curtis; to the Committee on Invalid Pensions.

By Mr. MEAD: A bill (H. R. 7136) granting an increase of pension to Anna M. Kromer; to the Committee on Invalid Pensions.

By Mr. MOORE of Kentucky: A bill (H. R. 7137) granting a pension to Elenora Thompson; to the Committee on Invalid Pensions.

By Mr. MONTAGUE: A bill (H. R. 7138) for the relief of W. Henry Robertson, former American consul general; to the Committee on Foreign Affairs.

By Mr. MOORE of Ohio: A bill (H. R. 7139) granting an increase of pension to Nancy Jane Orndorff; to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 7140) granting an increase of pension to Agnes May Taylor; to the Committee on Invalid Pensions.

By Mr. NIEDRINGHAUS: A bill (H. R. 7141) for the relief of Busch-Sulzer Bros. Diesel Engine Co.; to the Committee on Claims.

Also, a bill (H. R. 7142) for the relief of Frank E. Ridgely, deceased; to the Committee on Naval Affairs.

By Mrs. NORTON of New Jersey: A bill (H. R. 7143) granting a pension to Margaret Sexton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7144) granting an increase of pension to Emily L. Salkeld; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7145) granting an increase of pension to Hester Pollard; to the Committee on Invalid Pensions.

By Mr. PARKER: A bill (H. R. 7146) granting an increase of pension to Lucy Schoomaker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7147) granting an increase of pension to Fidelin Breccette; to the Committee on Pensions.

By Mr. QUIN: A bill (H. R. 7148) for the relief of G. R. Robertson; to the Committee on Claims.

Also, a bill (H. R. 7149) for the relief of the legal representative of the estate of Haller Nutt, deceased; to the Committee on War Claims.

By Mr. SCHAFER: A bill (H. R. 7150) for the relief of John Aloysius Kelley; to the Committee on Military Affairs.

By Mr. SEARS of Nebraska: A bill (H. R. 7151) granting an increase of pension to Fannie Chambers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7152) granting an increase of pension to Margaret P. Black; to the Committee on Invalid Pensions.

By Mr. SEGER: A bill (H. R. 7153) granting an increase of pension to Pieternella Botbyl; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7154) granting an increase of pension to Hermine A. Sturm; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7155) granting an increase of pension to Mary L. Frederick; to the Committee on Invalid Pensions.

By Mr. SINNOTT: A bill (H. R. 7156) granting a pension to Sarah K. Taylor; to the Committee on Invalid Pensions.

By Mr. SWICK: A bill (H. R. 7157) granting an increase of pension to Eliza J. Kelly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7158) granting an increase of pension to Margaretta Grove; to the Committee on Invalid Pensions.

By Mr. STEELE: A bill (H. R. 7159) granting a pension to Thomas C. Lacy; to the Committee on Pensions.

Also, a bill (H. R. 7160) granting a pension to James C. Allen; to the Committee on Pensions.

Also, a bill (H. R. 7161) granting an increase of pension to Leo Pope Ott; to the Committee on Pensions.

Also, a bill (H. R. 7162) for the relief of Henry J. Wright; to the Committee on Claims.

Also, a bill (H. R. 7163) for the relief of H. F. Frick and others; to the Committee on Claims.

By Mr. SNELL: A bill (H. R. 7164) granting an increase of pension to Mariette A. Goodenough; to the Committee on Invalid Pensions.

By Mr. STRONG of Kansas: A bill (H. R. 7165) granting an increase of pension to Sophia A. Brassfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7166) to allow credit in the accounts of disbursing officers of the Army of the United States on account

of refunds made to purchasers of surplus war supplies; to the Committee on War Claims.

By Mr. THURSTON: A bill (H. R. 7167) granting a pension to Elizabeth A. Tullis; to the Committee on Pensions.

Also, a bill (H. R. 7168) granting a pension to Maud E. Sparks; to the Committee on Pensions.

Also, a bill (H. R. 7169) granting a pension to Florence G. Melton; to the Committee on Pensions.

Also, a bill (H. R. 7170) granting an increase of pension to Rachel C. Stratton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7171) granting an increase of pension to Hannah Gatliff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7172) granting an increase of pension to Bell Doll; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 7173) granting compensation to the daughters of James P. Gallivan; to the Committee on Claims.

Also, a bill (H. R. 7174) granting compensation to William T. Ring; to the Committee on Claims.

By Mr. UPDIKE: A bill (H. R. 7175) granting a pension to Seth Seaton Ward; to the Committee on Pensions.

Also, a bill (H. R. 7176) granting an increase of pension to Margaret Sweet; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7177) granting an increase of pension to Lula K. Stout; to the Committee on Invalid Pensions.

By Mr. VINCENT of Michigan: A bill (H. R. 7178) granting a pension to Rose Isabelle Potter; to the Committee on Invalid Pensions.

By Mr. WHITE of Colorado: A bill (H. R. 7179) granting an increase of pension to Walter W. Donahue; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7180) granting an increase of pension to Charity Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7181) granting a pension to Mary E. Barnes; to the Committee on Invalid Pensions.

By Mr. WILSON of Mississippi: A bill (H. R. 7182) for the relief of Charles Nick Robinson; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

121. By Mr. COOPER of Wisconsin: Memorial of certain residents of Delavan, Walworth County, Wis., urging the acceptance of the proposal of M. Briand, of France, regarding substitution of peaceful methods for those of force in the settlement of disputes between nations; to the Committee on Foreign Affairs.

122. By Mr. ROY G. FITZGERALD: Petition of 17 citizens of Dayton, Ohio, praying for the exemption of dogs from vivisection; to the Committee on Interstate and Foreign Commerce.

123. By Mr. GARBER: Resolution of Irrigation Districts Association of California, Merced, Calif., upholding the Boulder Dam project; to the Committee on Irrigation and Reclamation.

124. Also, resolution of International Association of Fairs and Expositions, for the Government to assume control of and permanently keep in charge the waters of the Mississippi River and its tributaries; to the Committee on Flood Control.

125. Also, petition of certain residents of Tangier, Fargo, Woodward, Oakwood, and Supply, Okla., urging opposition to the Sunday observance bill and any other national religious legislation which may be pending; to the Committee on the District of Columbia.

126. Also, petition of certain citizens of Woodward, Okla., urging enactment of legislation in behalf of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

127. By Mr. JOHNSON of Texas: Resolutions of Houston Chapter, Reserve Officers' Association of the United States, of Houston, Tex., urging upon Congress adequate appropriations for housing comfortably the officers and enlisted men of the Regular Army in the Army posts, and for adequate ammunition and equipment, etc.; to the Committee on Appropriations.

128. By Mr. KINDRED: Petition of the Chamber of Commerce of the State of New York, reaffirming its resolution of May 5, 1927, and urging upon the Federal commission for the exchange of sites for a post office and courthouse building at New York, and upon the authorities of the city of New York, action upon this matter; to the Committee on Public Buildings and Grounds.

129. By Mr. MORROW: Petition of Association of Reserve Officers' Training Corps, Colleges and Universities, Fourth Corps Area, recommending commutation of Reserve Officers' Training Corps uniforms be not reduced for fiscal year 1926-27; also recommends maintenance of efficiency of Reserve Officers' Training Corps; to the Committee on Military Affairs.

130. Also, petition of officers of the Air Corps Reserve of the United States Army, airdrome, Fort Sam Houston, Tex., in training July 31 to August 13, 1927, advocating creation of department of national defense, with three coequal branches; that is, Army, Air, and Navy; to the Committee on Military Affairs.

131. Also, resolution protesting the enactment of section 3002, subsection B, of United States Veterans' Bureau Regulation No. 177, by Bucky O'Neill Post, No. 541, Veterans of Foreign Wars; to the Committee on World War Veterans' Legislation.

132. By Mr. O'CONNOR of New York: Resolution of the New York Council for Protection of Foreign-Born Workers, protesting against legislation for the registration and deportation of noncitizens; to the Committee on Immigration and Naturalization.

133. By Mr. O'CONNELL: Petition of the International Association of Fairs and Expositions, favoring the passage of legislation looking to flood control; to the Committee on Flood Control.

134. Also, petition of the Chamber of Commerce of the State of New York, favoring the repeal of the Federal inheritance tax; to the Committee on Ways and Means.

135. Also, petition of the Chamber of Commerce of the State of New York, favoring the construction of an adequate downtown post office and Federal court building in the city of New York; to the Committee on Public Buildings and Grounds.

136. Also, petition of the Slovak League of America, in behalf of readjustment of quota for immigrants from Czechoslovakia; to the Committee on Immigration and Naturalization.

137. Also, petition of the Chamber of Commerce of the State of New York, favoring the location of a municipal airport in the Jamaica Bay district of the city of New York; to the Committee on the Merchant Marine and Fisheries.

138. By Mr. WATSON: Testimony expressed by the Bucks Quarterly Meeting, held at Middletown Meeting House, Langhorne, Pa., against war; to the Committee on Foreign Affairs.

## SENATE

TUESDAY, December 13, 1927

The Chaplain, Rev. Z. Barney T. Phillips, D. D., offered the following prayer:

May the words of our mouth and the meditations of our heart be now and always acceptable in Thy sight, O Lord, our strength and our Redeemer.

Eternal God, who hast neither dawn nor evening, yet sendest us alternate mercies of the darkness and the day, there is no light but Thine, without, within. As Thou hast lifted the curtain of night from our abodes, take also the veil from all our hearts. Rise with Thy morning upon our souls; quicken every noble impulse and sanctify our best endeavors; and though all else decline, let the noontide of Thy grace and peace remain. Through Jesus Christ our Lord. Amen.

The Chief Clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

### CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Ferris	La Follette	Shipstead
Barkley	Fess	McKellar	Shortridge
Bayard	Fletcher	McLean	Smith
Bingham	Frazier	McMaster	Smoot
Black	George	McNary	Steck
Blaine	Gerry	Mayfield	Steiwer
Blease	Gillett	Metcalf	Stephens
Borah	Glass	Moses	Swanson
Bratton	Goff	Neely	Thomas
Brookhart	Gould	Norbeck	Trammell
Broussard	Greene	Nye	Tydings
Bruce	Hale	Oddie	Tyson
Capper	Harris	Overman	Wagner
Caraway	Harrison	Phipps	Walsh, Mass.
Copeland	Hayden	Pine	Walsh, Mont.
Couzens	Heflin	Pittman	Warren
Curtis	Howell	Ransdell	Waterman
Dale	Johnson	Reed, Mo.	Watson
Deneen	Jones, Wash.	Reed, Pa.	Wheeler
Dill	Kendrick	Robinson, Ind.	Willis
Edge	Keyes	Schall	
Edwards	King	Sheppard	

The VICE PRESIDENT. Eighty-six Senators having answered to their names, a quorum is present.

### SUPPLEMENTAL ESTIMATES OF APPROPRIATION

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Agriculture, fiscal year 1928, amounting to \$10,000, to enable the Secretary of Agriculture to carry into effect the provisions of an act entitled "An act to prevent the destruction or dumping, without good and sufficient cause therefor, of farm produce received in interstate commerce by commission merchants and others and to require them truly and correctly to account for all farm produce received by them," approved March 3, 1927, etc., which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

The VICE PRESIDENT also laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation under the legislative establishment (House Office Building, 1928: To enable the Architect of the Capitol to remodel the room formerly occupied by the House restaurant, to provide rooms for the Committee on Agriculture and the joint committee on taxation, and to remodel the space formerly occupied for use as a gymnasium to provide room for the legislative counsel, etc.), for the fiscal year 1928, in the sum of \$5,500, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed. (S. Doc. 15.)

### DESIGNATION OF PERSONS TO ACT FOR DISBURSING OFFICERS

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, urging the passage of legislation to authorize the designation of persons to act for disbursing officers and others charged with the disbursement of public moneys of the United States, etc., which, with the accompanying papers, was referred to the Committee on the Judiciary.

### STANDING COMMITTEES

Mr. WATSON. Mr. President, I desire to call up the order offered yesterday in regard to the assignment of Senators to committees, and I ask unanimous consent that so much of Rule XXIV as provides for the appointment of standing committees of the Senate by ballot may be suspended.

The VICE PRESIDENT. The Senator from Indiana asks unanimous consent that that portion of Rule XXIV of the standing rules of the Senate relating to the appointment of members of committees by ballot be suspended. Is there objection? The Chair hears none, and it is so ordered. Is there objection to the present consideration of the order?

Mr. WALSH of Montana. Mr. President, may I inquire of the Senator what method of election is to be substituted?

Mr. WATSON. Unanimous consent.

Mr. WALSH of Montana. Are we to understand that now an election can take place only by unanimous consent?

Mr. WATSON. I have submitted a request for the present consideration of the order. It will be a viva voce vote.

Mr. SWANSON. Mr. President, as I understand the rule of the Senate, we can proceed to the election by ballot or by roll call or by viva voce vote. The request is to suspend that portion of the rule appertaining to the election by ballot.

The VICE PRESIDENT. Is there objection to the present consideration of the order? The Chair hears none, and the clerk will read.

The Chief Clerk read the list of committees appearing in yesterday's proceedings of the Senate, CONGRESSIONAL RECORD, page 481.

The VICE PRESIDENT. The question is on agreeing to the order submitted by the Senator from Indiana [Mr. WATSON].

Mr. HARRISON. Mr. President, I shall not interpose any objection to the consideration of the order, but listening to the list of committees as it has been read, it seems to me there ought to be some expression of felicitation to the distinguished Senator from Indiana and to his colleagues on the other side for their very great change of front in reference to certain gentlemen on the majority side of the aisle.

Mr. WATSON rose.

Mr. HARRISON. I hope the Senator from Indiana will take his seat and bide his time.

Mr. WATSON. I shall be very happy to do so.

Mr. HARRISON. It was not so long ago, Mr. President, when we read in the newspapers in big headlines such news as "The radicals read out of G. O. P. ranks." It was so stated by the Republican official organ, the National Republican, or whatever the name of the publication may be. It was not very long ago when deliberate action was taken on the other side of the aisle with reference to party policies by Senators who adopted a resolution which had teeth in it and which meant